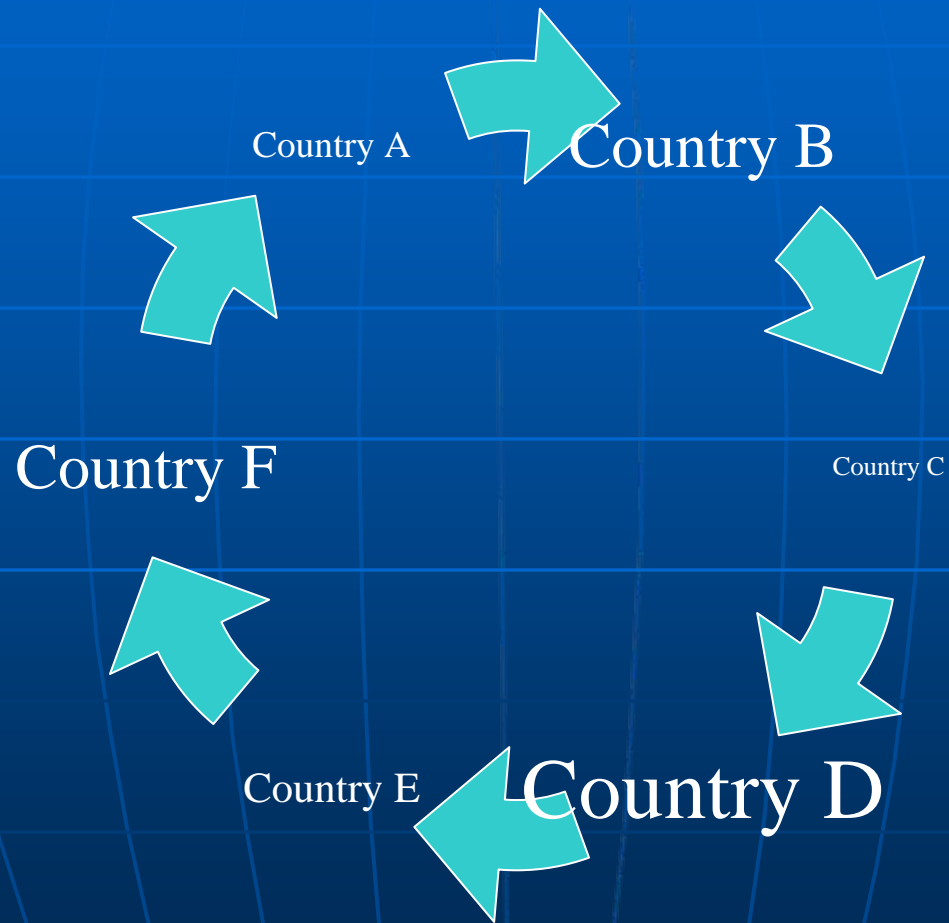


# The Dilemma of International Economic Governance

by  
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# The Global Economic Regime



# Problem → Solution

- Unequal capacity;  
Different regulatory  
regimes



- Constraints on  
development friendly  
international economic  
integration

Solution



# A Strong Case for Global Economic Regime

Global Economy



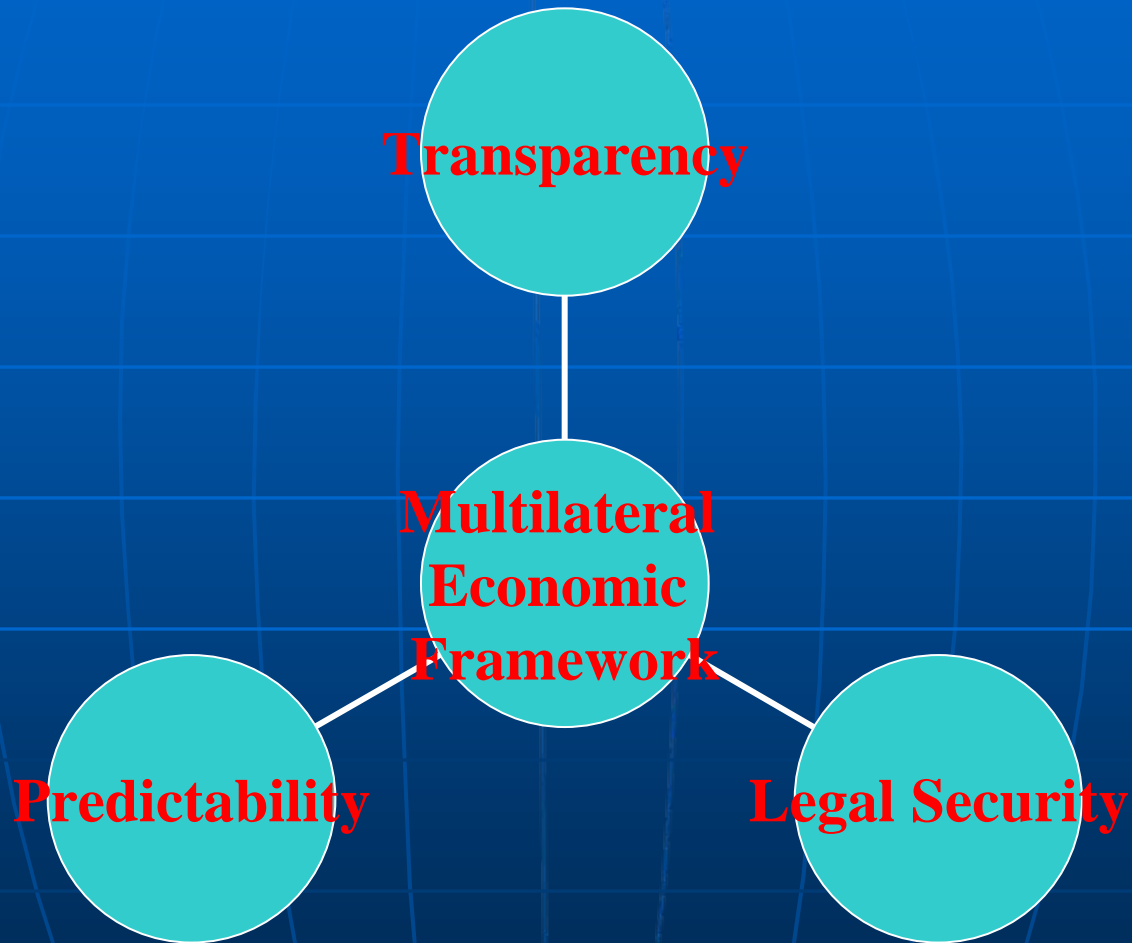
Multilevel Governance  
Multilateral Framework

(Intergovernmental Cooperation)

# Multilateral Framework - Set of Norms

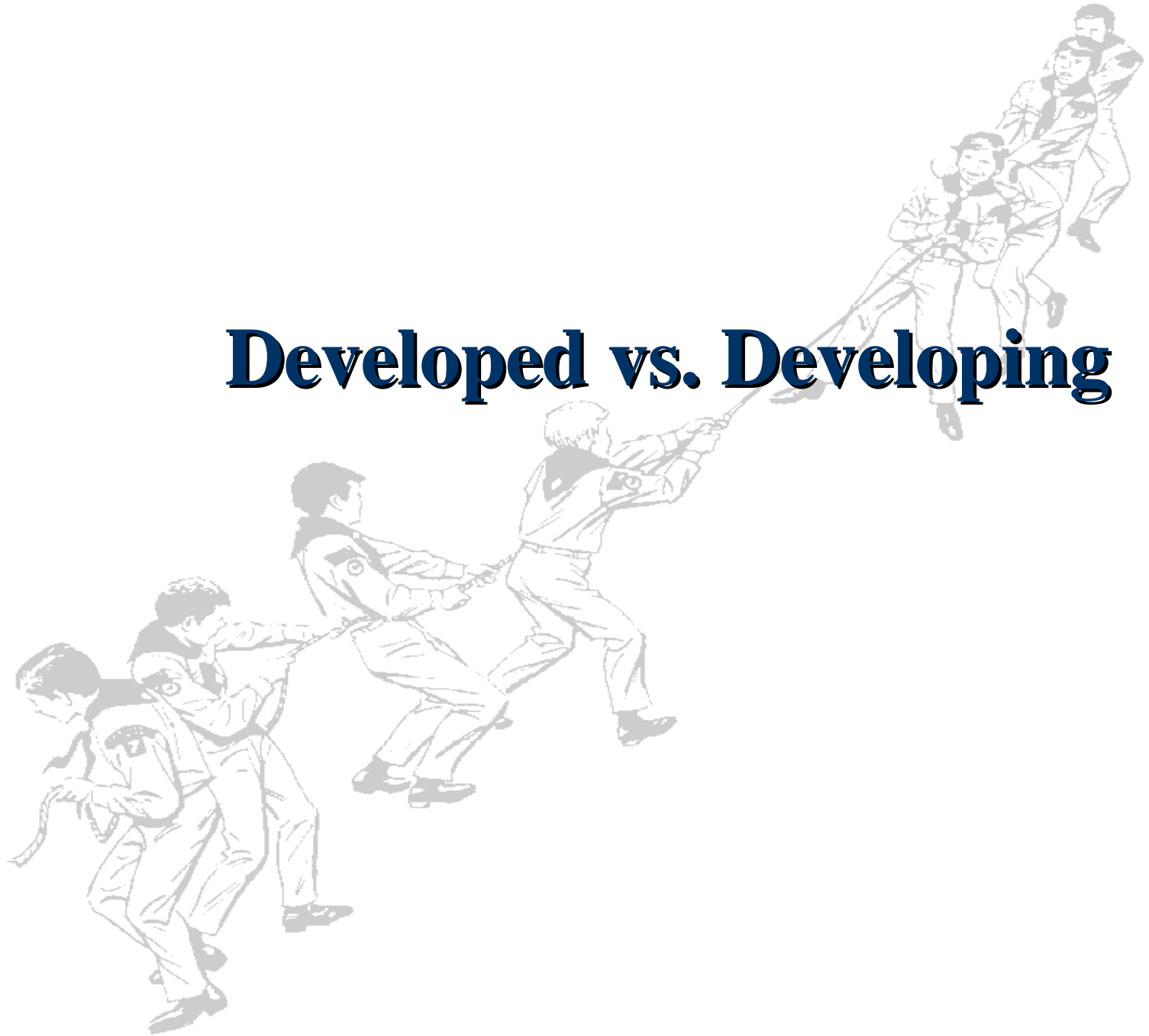
- Liberalisation of markets
- Contract enforcement
- Increases transparency and promotes rule of law
- Independent judicial system

# World Trade Organization



# **The Changing Scenario at WTO**

# Developed vs. Developing





# Polarisation of Agendas

- Emergence of transition/developing countries voicing their concerns about the shrinking of their policy space.
- Fundamental tension of reconciliation between national sovereignty and global economic integration.

# Institutional Crisis at WTO

Modalities of multilateral negotiation preventing important economic issues like investment which forms an important piece of the economic relations puzzle from being addressed by the WTO and thus hindering the capacity of the WTO in managing international economic relations.

# The Story of Heterogeneity

Deepening and broadening of regional and bilateral cooperation

Opposition/ Diversion/ Substitution to the multilateral system.

The regional and bilateral arrangements can be identified as a coordinated international response and modest beginning in regulation of issues which have not been addressed by the WTO.

# Investment

- Issue dealt in a fragmented fashion by WTO (GATS, TRIMS, TRIPS)
- Failure of negotiating a multilateral agreement under Doha Round.
- Bilateral and regional arrangements regulates investment, answers and unravels what WTO cannot regulate and answer.

# Research Question

Whether the Issue of Foreign Investment needs to be addressed under a multilateral and centralised institution like the WTO or the framework offered by the bilateral and regional agreements addresses the accountability concerns ?

# Premise of Evaluation

- Institutional capacity to address the issue
- Coherent and accountable legal regime

# Accountable Legal Regime

- Protection of investors
- Protection of host state
- Adequate consideration of environment, human rights by prescribing responsibility on the relevant actors.

# Potential Contribution

Compares and contrasts the existing economic governance institutions in context of foreign investment to evaluate whether a central institution (WTO style or any other) should regulate investment?

Identifies the potential and deficiencies of the existing bilateral and regional framework and suggests reform in context of legal accountability.



Thank You