

**The Nightly Business Report**  
**After Cancun – What's Next?**  
**September 17, 2003**

The failure in Cancun is a blow to the Doha Round of trade negotiations. The developing countries that stood up to the wealthier ones may have shot themselves in the foot. The Doha Round has an important agenda – notably, reducing agricultural subsidies – which would help developing countries.

The WTO has a big challenge. It's a consensus organization and it's difficult to run a large organization that way. Yet that's the way its predecessor, the GATT, was set up 50 some years ago. Then, there were only 23 member countries; today, there are 148, any one of which can block action.

How do we break the impasse? Some want to reform the WTO, but finding a consensus for that seems unlikely. Another approach is to forget the global round and focus instead on bilateral and regional trade agreements. But these agreements create unequal conditions as some countries get benefits that others don't have. Still another approach is for smaller groups of countries to get together informally before the next meeting. Then every country would return to the WTO negotiating table, this time willing to be more flexible.

I vote for getting back to the WTO table. A multilateral agreement is still the best and fairest way to produce more global trade. The question is whether the member countries have the political will to do it. I hope so.

I'm Barbara Hackman Franklin.