

Interview with Manfred Elsig

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Question 1:

What chances does candidate Ngozi Okonjo-Iweala have?

Manfred Elsig:

I would say in normal times, Ms. Iweala has fair chances because, it is actually undisputed that it's Africa's turn in getting the position of Director General. In addition, she also has excellent skills that she brings with her. With this in mind, she certainly has great chances in normal times. One issue that is not speak in her favor is that she does not have much experience in the WTO itself or in trade matters. That could be a disadvantage for her to get support from some ambassadors. In short, she is not an insider.

Question 2:

She has also experience in the international field; she worked in a leading position at the World Bank as well. Would that not help her even if she had the other deficit?

Manfred Elsig:

I do not necessarily think so, because there is competition between the World Bank, the World Trade Organization and even the IMF. It is not necessarily an advantage that she had a great career at the Bank earlier. However, she really has many skills that speak for her. Therefore, I would say that she has a good chance when I look at the eight candidates.

Question 3:

There are eight candidates, three female and five male candidates who are in the race. Is the position of Director General of the WTO that attractive?

Manfred Elsig:

I think that, at the moment, it is not really attractive. Of course, those who applied know that the challenges are huge. Seen from this perspective, one could also say that there are also missing candidates who one would have expected. One might also have expected one or the other candidacy from the European Union. And that is probably a sign that these candidates will, of course, be faced with major challenges when they get the job.

Question 4:

So, they are only the second choice, the people who are applying.

Manfred Elsig:

There are very good candidates, both African candidates are certainly very good and very qualified. Also Ms. Mohammed from Kenya. Above all, she is an insider, she has a lot of experience in the WTO. Above all, the WTO Membership is seeking personalities who can have political influence in the US and in China. These political heavyweights are not really on the list of candidates now.

Question 5:

Now, nobody is Director General anymore, you could also say there is no need for anyone at the top.

Manfred Elsig:

At the moment, we have a very absurd situation. The Members of the WTO could not agree on one of the four deputy director generals to lead the organization on an interim basis. There was a strange compromise that all four would keep working and try to run the business in coordination with the highest-ranking ambassador from New Zealand. That is, of course, a

very bad picture that the WTO paints: It could not agree on a person to lead the organization for the next several months.

Question 6:

This organization is pretty much in crisis, in terms of personnel but also fundamentally. There is the US-China dispute over international trade and the role of the WTO. Consensus from all 164 members is needed at the same time. Can anything be changed under these circumstances? Can this WTO be reformed?

Manfred Elsig:

It is, of course, true that everybody is talking about reforms now. However, such reforms are very, very difficult because they are based on the principle of consensus. That means, there has to be a consensus between over 160 members, and the topics are not easy topics. For example, one would have to think hard about how exactly to reform the dispute settlement process. You have to be able to negotiate new agreements because some of the current rules are 20 or 30 years old. Hence, they are really out of date. One would have to find agreement on new rules. Then, of course, the so-called geopolitical conflict between China and the US has now been explicitly brought into this organization. Against this background, it is very difficult to find solutions or to start initiatives here and there, because the political will is currently lacking.

Question 7:

You could say that is a "Mission Impossible". Absolutely impossible to make a difference.

Manfred Elsig:

I think very, very difficult in the next few months. Everybody is looking at the US. Many hope that there will be a change of government there and that a new administration will negotiate a little more pragmatically. However, the big challenges remain. This means that the task as Director General will remain a difficult one in the coming years...big issues, and difficult reforms.

Question 8:

Are you nevertheless optimistic that the WTO will still play a role in the future?

Manfred Elsig:

Yes, but I think there might be a standstill right now. One has to wait and see how the global political situation develops. The WTO is a negotiating platform, if you will. That only works if the most important trading states and powers are willing to find solutions. Now, this will is not noticeable and is not there. That means one might have to wait a bit, work on a small scale, engage in smaller steps and continue work in the background. However, big changes and developments are not to be expected at the moment.