



International Organizations

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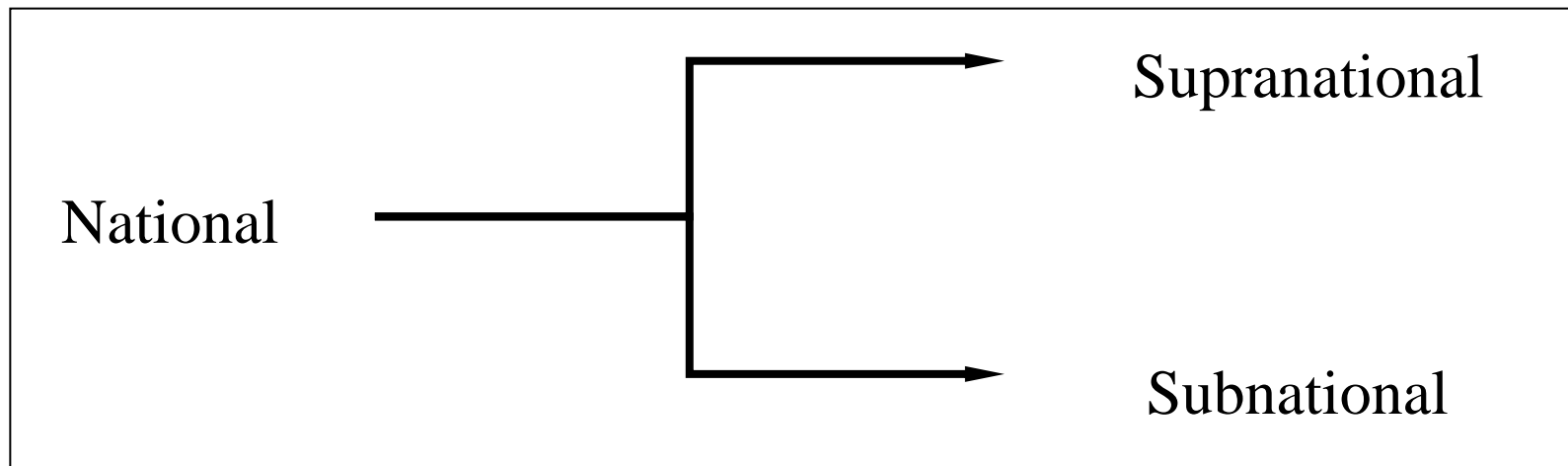


Basic definitions

- Three big groups are distinguished in the global economy:
 - countries,
 - multinational, transnational and global corporations,
 - international organisations.

→ the interactive and sometimes contradictory relations of which shape the world economy.
- Definition: An international organization can be defined, following the International Law Commission, as an '**organization established by a treaty or other instrument governed by international law and possessing its own international legal personality**'. International organizations generally have States as members, but often other entities can also apply for membership.

A shift of emphasis in the level of global decision-making





NGOs ~ Non-governmental organizations

- A non-governmental organization (NGO) is any **non-profit, voluntary citizens' group** which is organized on a local, national or international level. **Task-oriented and driven by people with a common interest**, NGOs perform a variety of service and humanitarian functions, bring citizen concerns to governments, advocate and monitor policies and encourage political participation through provision of information.
- **Some are organized around specific issues**, such as human rights, environment or health. They provide analysis and expertise, serve as early warning mechanisms and help monitor and implement international agreements.
- **It is independent from states** and international governmental organizations.
- They are usually **funded by donations** but some avoid formal funding altogether and are **run primarily by volunteers**.
- UN: inter-governmental organization (not supranational or non-governmental!)

Treaties and international agreements



- Treaties may be (with regard the number of participants):
 - bilateral (two parties)
 - multilateral (between several parties)
- An agreement "**enters into force**" when the terms for entry into force as specified in the agreement are met.
- The possibilities for external nations:
 - opened
 - closed
- Contents:
 - functional (only one field of the economy, such as transport, finance, trade etc.)
 - regional
- Possible forms:
 - international conventions,
 - international agreements,
 - covenants,
 - final acts,
 - charters,
 - protocols,
 - pacts,
 - accords,
 - constitutions for international organizations.



Global problems

- Richard Smalley: Top Ten Problems Facing Humanity Over the Next 50 Years
 - Energy
 - Water
 - Food
 - Environment
 - Poverty
 - Terrorism& War
 - Disease
 - Education
 - Democracy
 - Population

Global risks 2024



FIGURE C

Global risks ranked by severity over the short and long term

"Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period."

Risk categories

- Economic
- Environmental
- Geopolitical
- Societal
- Technological

2 years

1 st	Misinformation and disinformation
2 nd	Extreme weather events
3 rd	Societal polarization
4 th	Cyber insecurity
5 th	Interstate armed conflict
6 th	Lack of economic opportunity
7 th	Inflation
8 th	Involuntary migration
9 th	Economic downturn
10 th	Pollution

10 years

1 st	Extreme weather events
2 nd	Critical change to Earth systems
3 rd	Biodiversity loss and ecosystem collapse
4 th	Natural resource shortages
5 th	Misinformation and disinformation
6 th	Adverse outcomes of AI technologies
7 th	Involuntary migration
8 th	Cyber insecurity
9 th	Societal polarization
10 th	Pollution

Source

World Economic Forum Global Risks Perception Survey 2023-2024.

Commodities trade in different ranges over long term 1984-2024



April 2024:

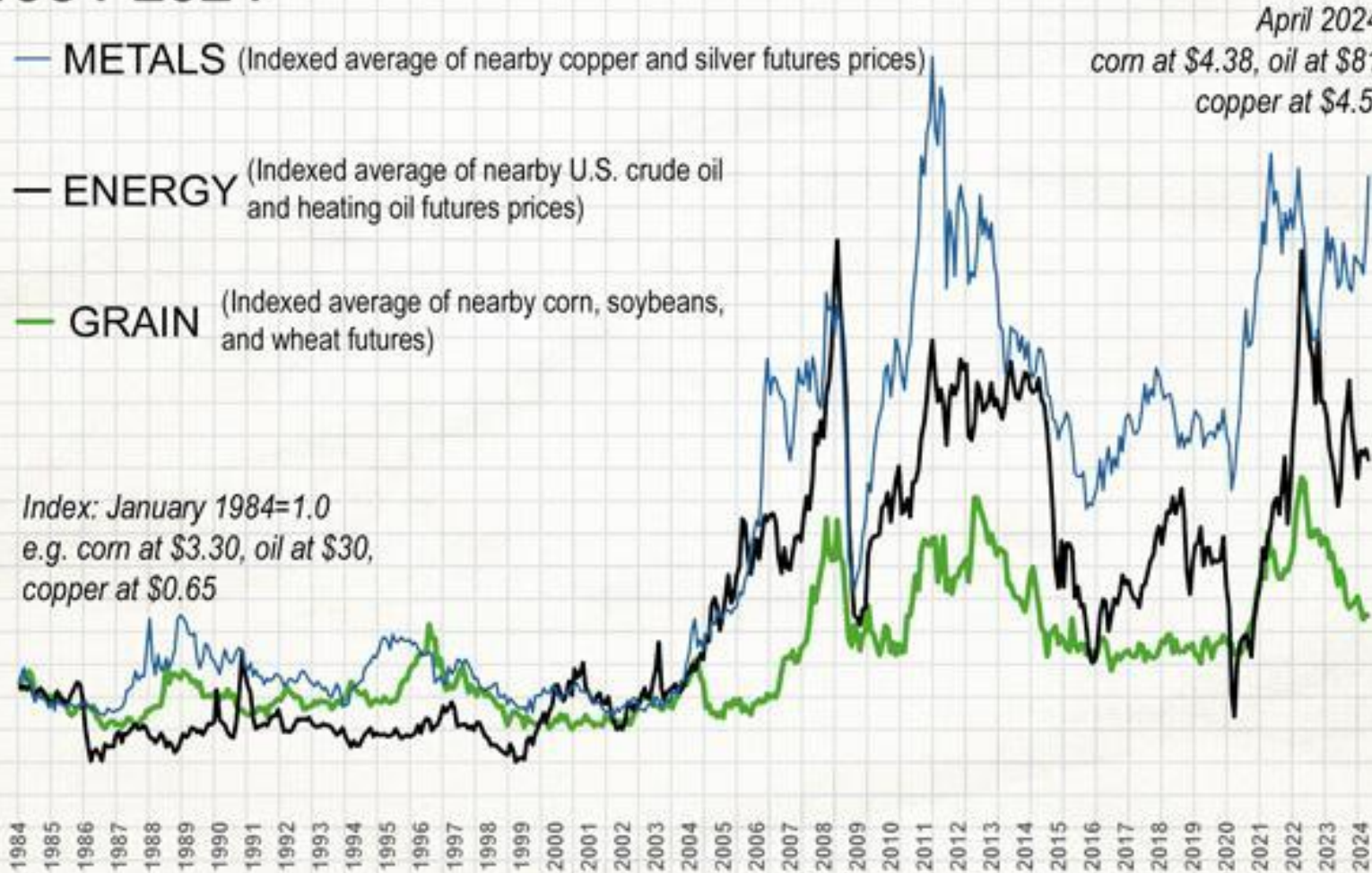
corn at \$4.38, oil at \$81,
copper at \$4.56

— METALS (Indexed average of nearby copper and silver futures prices)

— ENERGY (Indexed average of nearby U.S. crude oil and heating oil futures prices)

— GRAIN (Indexed average of nearby corn, soybeans, and wheat futures)

Index: January 1984=1.0
e.g. corn at \$3.30, oil at \$30,
copper at \$0.65

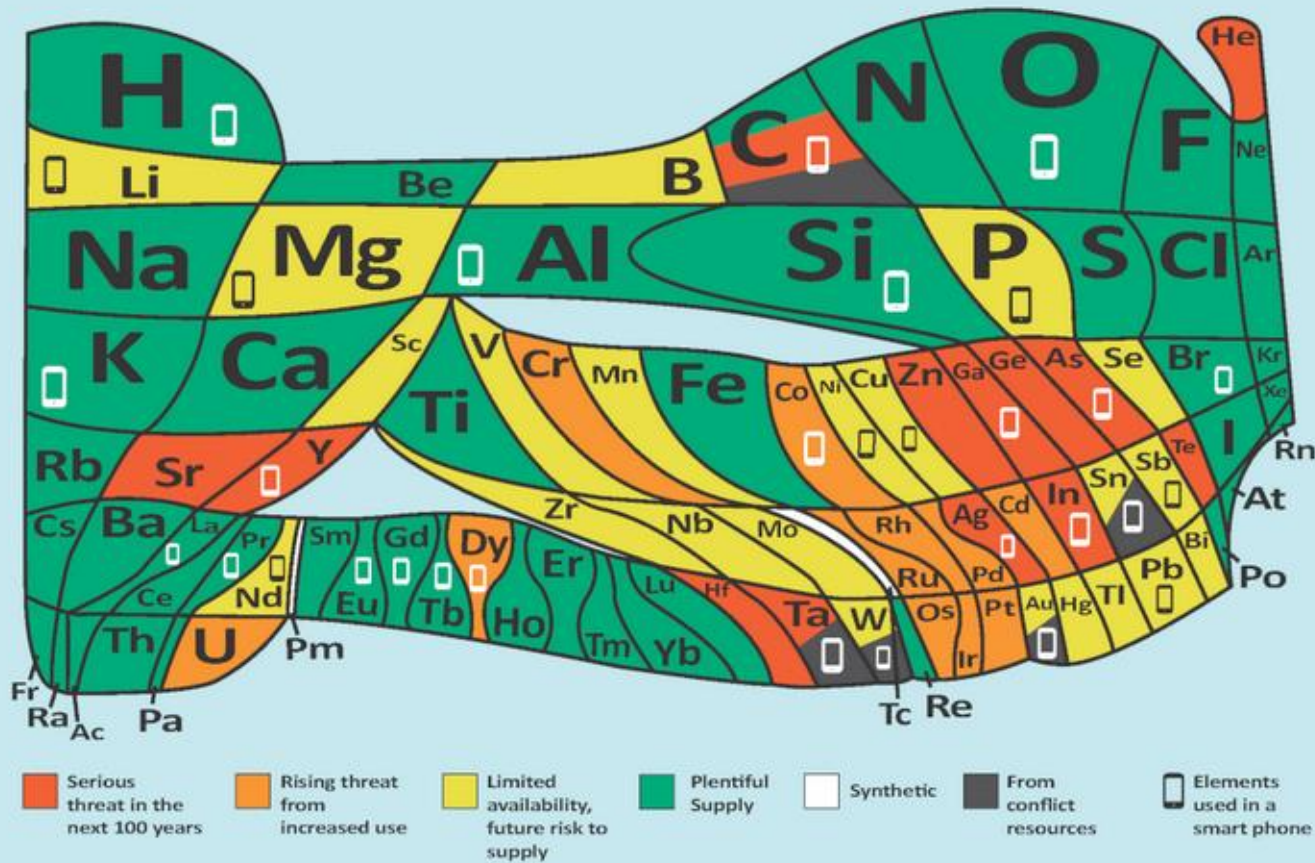


Source: Elaine Kub analysis of DTN ProphetX data

Source: <https://www.dtnpf.com/agriculture/web/ag/news/article/2024/05/01/commodities-hit-wall-good-way>

The 90 natural elements that make up everything

How much is there? Is that enough? Is it sustainable?



Read more and play the video game <http://bit.ly/euchems-pt>

edition 2 (2021)



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EuChemS
European Chemical Society

Inspired by WF Sheehan's 'A Periodic Table with Emphasis' published in Chemistry, 1976, 49, 17-18'

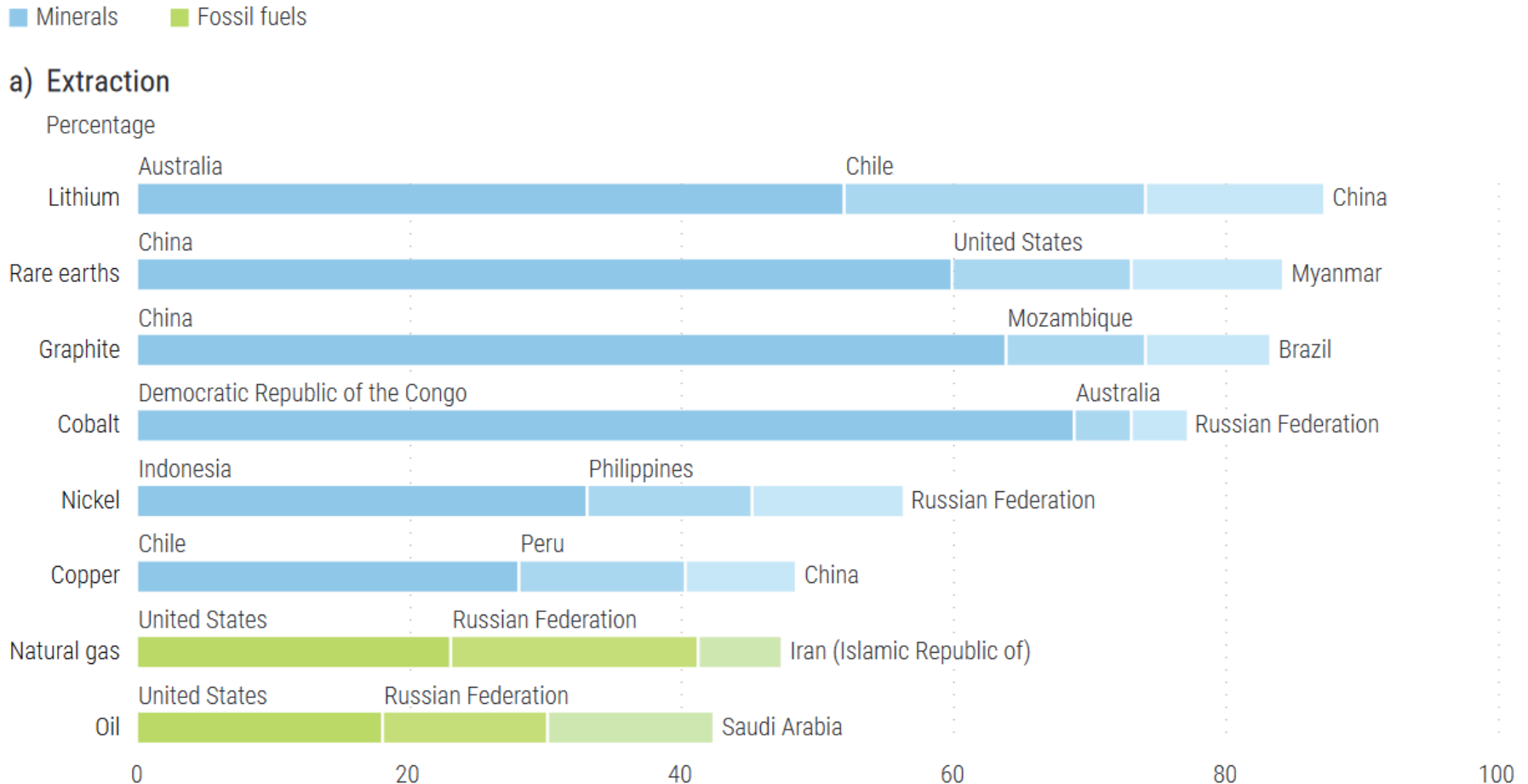


INSTITUTE OF WORLD AND REGIONAL ECONOMICS

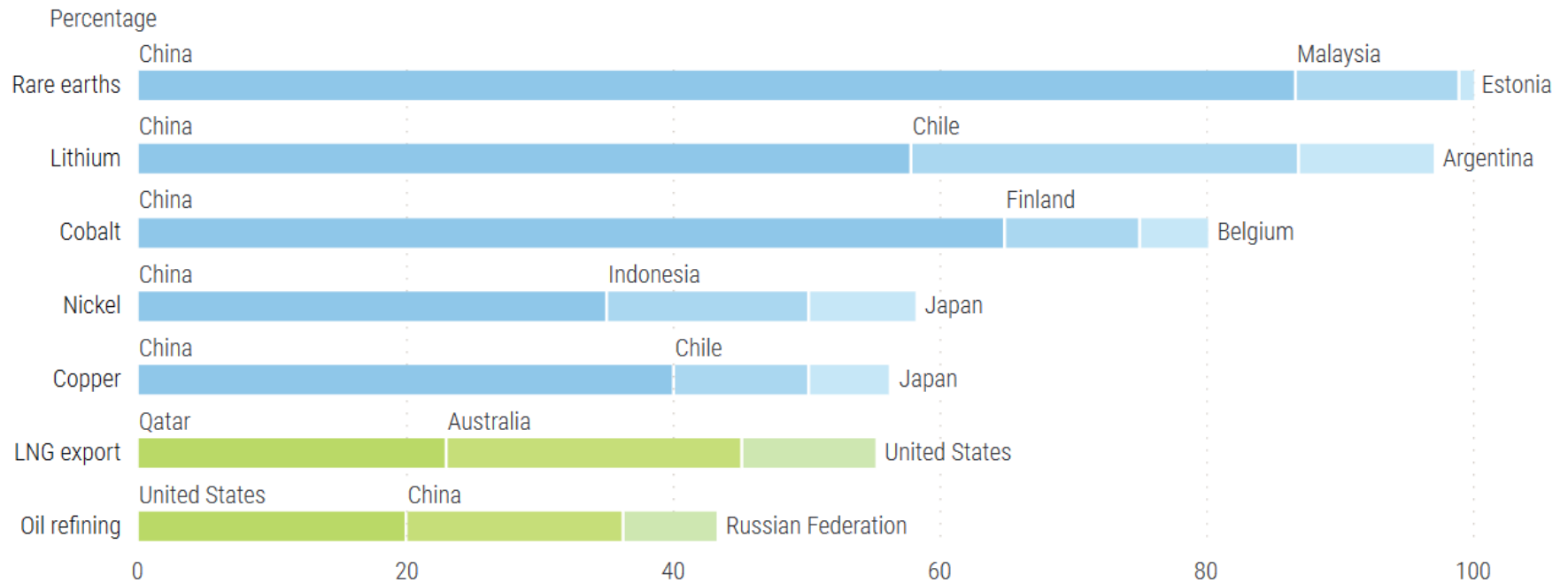
Click to view a [larger version](#) of the graphic.

Share of top three producing countries in production of selected minerals and fossil fuels, 2019 – extraction and processing

Figure 13
Share of top three producing countries in production of selected minerals and fossil fuels, 2019



b) Processing



Source: UN DESA, based on data from International Energy Agency (IEA).



Globalisation

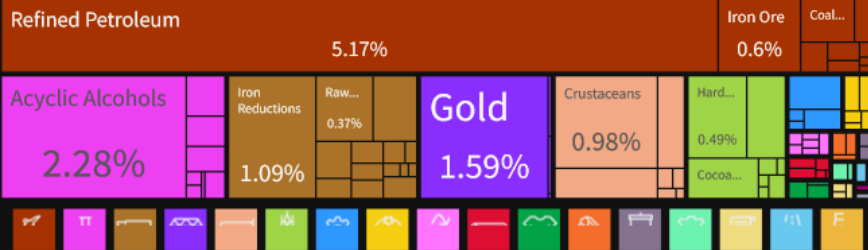
- Globalisation dominates the political, economic-financial and social processes of all countries → the international economic organisations taking an active part in the phenomenon.
- It is the **global expansion of the capital-driven world economy**.
- It is not a process which has concluded but rather a collection of continuously changing, interlinked processes.
- Types:
 - economic,
 - cultural,
 - information,
 - linguistic globalisations.
- increasing number of negative influences: growing (?) social and income inequalities and asymmetric interdependencies. By today the possession of the political and financial world (material property) has become the primary objective for development (or growth), humans and their environment are being ignored.

Exports (2019)
[Click to Select a Product]
Total: \$14.7B



Crude Petroleum

83.1%



Assymmetric economic interdependence - the case of crude oil and Venezuela

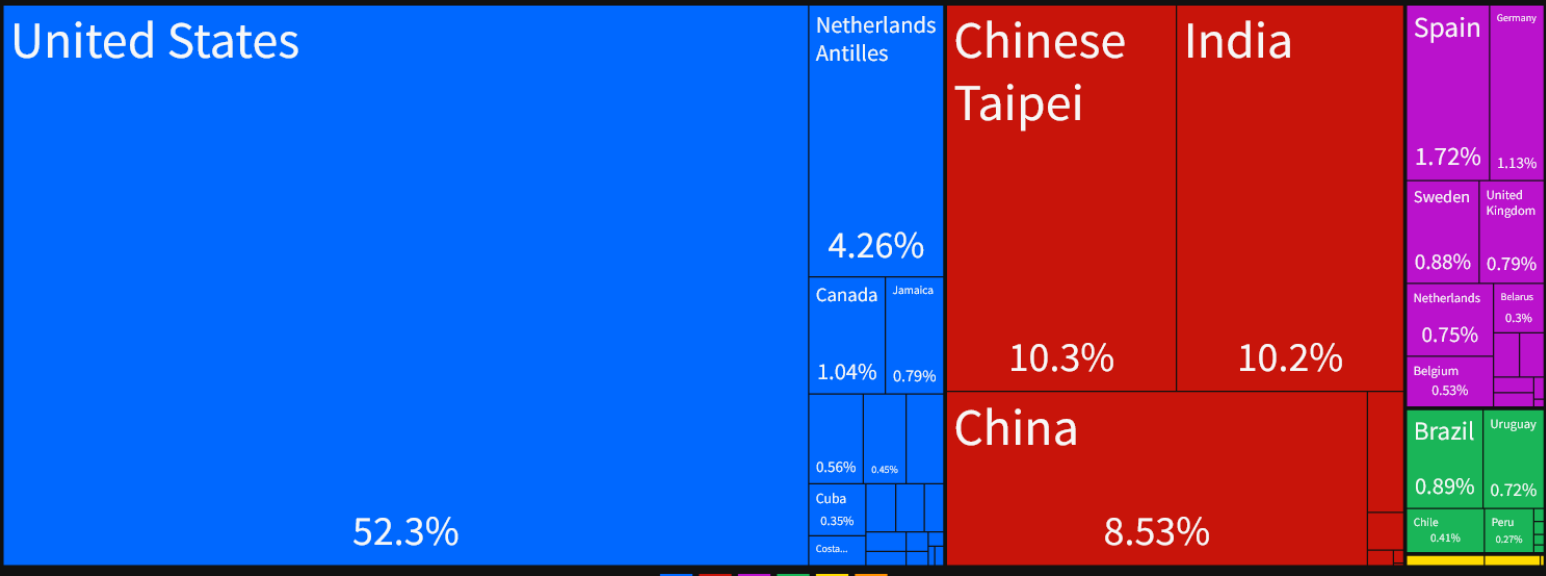
Venezuela export by products
(2019)

Source: <https://oec.world/en/profile/country/vu/>



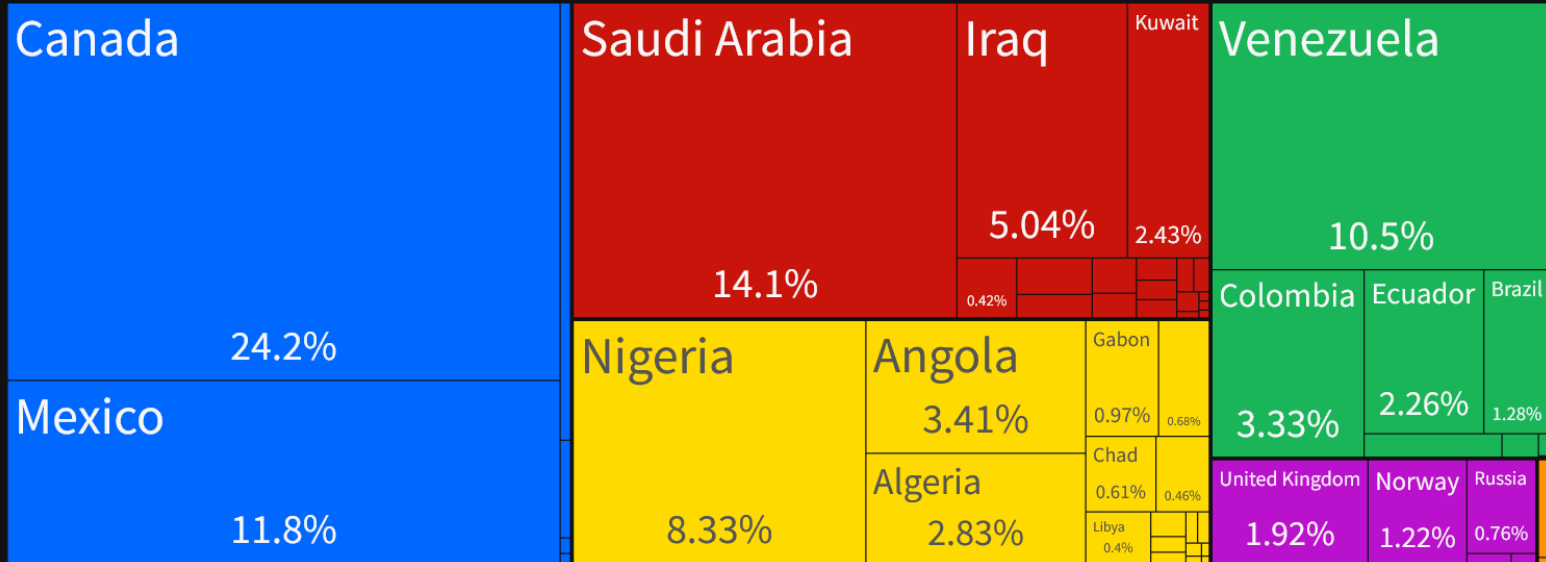
Where does Venezuela export Crude Petroleum to? ()

Total: \$769B



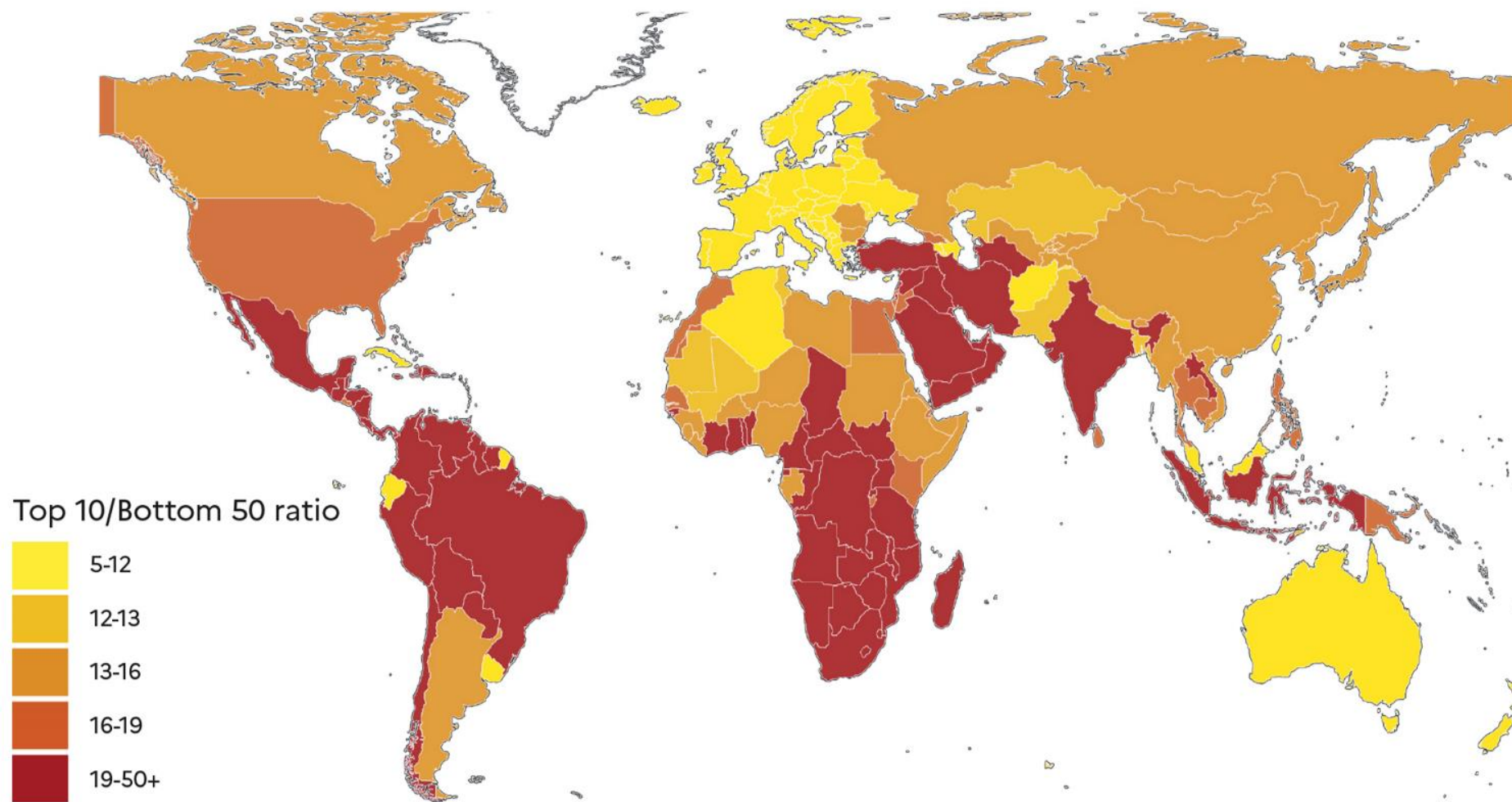
Where does United States import Crude Petroleum from? ()

Total: \$3.82T



<https://oec.world/en/profile/country/usa/>

Inequality of income within countries as measured by the ratio of the income of the richest 10% to the poorest 50%, 2021



Note: Dark red countries have a higher (more unequal) ratio, while lighter yellow countries have a lower (less unequal) ratio.

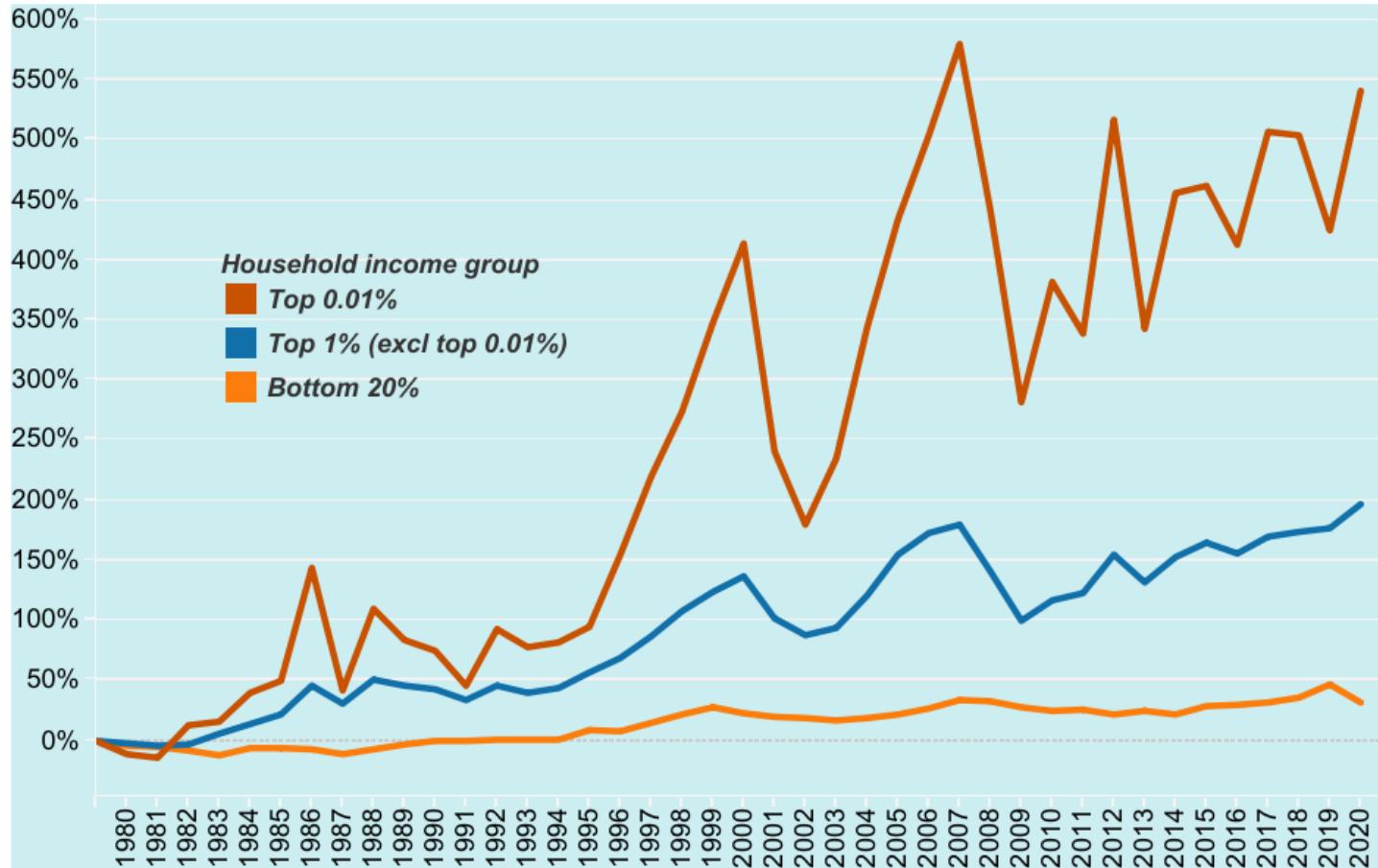
<https://devinit.org/resources/inequality-global-trends/>



Income inequalities in the US

Average Incomes for the Richest Americans Have Skyrocketed

Growth in U.S. household income before taxes and public assistance, 1979-2020



Source: Congressional Budget Office



- **The frames of the globalisation process were provided by international economic organisations** → the ‘holy trinity’ of liberalisation, deregulation and privatisation.
- Wide-scale reform of these organisations could bring a solution to the global problems.
- global governance?
 - It is meaning the cooperative attitude of transnational (global) entities over **issues which concern several countries** or regions that lack the opportunity for interstate agreement and thus **require a supranational approach**.
 - Problems of such a kind include global warming and the insufficient consensual and voluntary efforts aimed at reducing greenhouse gas emissions.



- It was founded in 1945.
- 193 Member States (not members: Taiwan, Kosovo, Vatican, Western-Sahara, North Cyprus, Cook Islands, Transnistria, **Holy See** and the State of Palestine). However, in 2020 the number of countries in the world is 193.
- Due to the powers vested in its Charter and its unique international character, the **United Nations can take action on the issues confronting humanity** in the 21st century such as:
 - peace and security,
 - climate change,
 - sustainable development,
 - human rights,
 - disarmament,
 - terrorism,
 - humanitarian and health emergencies,
 - gender equality,
 - governance,
 - food production, etc...



- Its main and stated aims are to **maintain international peace and security**, enhance **peaceful relations** between nations at an international level, enhance **social development** and promote **wealth and human rights**.
 - By enabling dialogue → find areas of agreement and solve problems together.
 - The main organs of the UN are:
 - the General Assembly (decisions on important questions, such as those on peace and security, admission of new members and budgetary matters, require a two-thirds majority of the General Assembly. Decisions on other questions are by simple majority),
 - the Security Council (5 permanent and 10 non-permanent members),
 - the Economic and Social Council (is the principal body for coordination, policy review, policy dialogue and recommendations on economic, social and environmental issues),
 - the Trusteeship Council,
 - the International Court of Justice (Hague),
 - the UN Secretariat.
- All were established in 1945 when the UN was founded.
- **Secretaries-General:** Ban Ki-Moon (2007-2017), Antonio Guterres (2017-)

2 March 2022: UN General Assembly voted overwhelmingly to condemn Russia 141 in favor; North Korea, Syria, Belarus, Eritrea vote with Russia; 35 abstain, including China, Iran, India, South Africa; Israel among 96 co-sponsors after keeping lower profile

Voting Started		02-Mar-22		11:55:12	
Item 5 - Draft resolution A/ES-11/L.1					
Aggression against Ukraine					
+ AFGHANISTAN	+ CAMEROON	+ FINLAND	+ KUWAIT	+ NEPAL	+ SAUDI ARABIA
+ ALBANIA	+ CANADA	+ FRANCE	✗ KYRGYZSTAN	+ NETHERLANDS	✗ SENEGAL
✗ ALGERIA	✗ CENTRAL AFR REP...	+ GABON	✗ LAO PDR	+ NEW ZEALAND	+ SERBIA
+ ANDORRA	+ CHAD	+ GAMBIA	+ LATVIA	✗ NICARAGUA	+ SEYCHELLES
✗ ANGOLA	+ CHILE	+ GEORGIA	+ LEBANON	+ NIGER	+ SIERRA LEONE
+ ANTIGUA-BARBUDA	✗ CHINA	+ GERMANY	+ LESOTHO	+ NIGERIA	+ SINGAPORE
+ ARGENTINA	+ COLOMBIA	+ GHANA	+ LIBERIA	+ NORTH MACEDONIA	+ SLOVAKIA
✗ ARMENIA	+ COMOROS	+ GREECE	+ LIBYA	+ NORWAY	+ SLOVENIA
+ AUSTRALIA	✗ CONGO	+ GRENADA	+ LIECHTENSTEIN	+ OMAN	+ SOLOMON ISLANDS
+ AUSTRIA	+ COSTA RICA	+ GUATEMALA	+ LITHUANIA	✗ PAKISTAN	+ SOMALIA
+ AZERBAIJAN	+ COTE D'IVOIRE	+ GUINEA	+ LUXEMBOURG	+ PALAU	✗ SOUTH AFRICA
+ BAHAMAS	+ CROATIA	+ GUINEA-BISSAU	✗ MADAGASCAR	+ PANAMA	✗ SOUTH SUDAN
+ BAHRAIN	✗ CUBA	+ GUYANA	+ MALAWI	+ PAPUA NEW GUINEA	+ SPAIN
✗ BANGLADESH	+ CYPRUS	+ HAITI	+ MALAYSIA	+ PARAGUAY	✗ SRI LANKA
+ BARBADOS	+ CZECH REPUBLIC	+ HONDURAS	+ MALDIVES	+ PERU	✗ SUDAN
- BELARUS	- DEM PR OF KOREA	+ HUNGARY	✗ MALI	+ PHILIPPINES	+ SURINAME
+ BELGIUM	+ DEM REP OF THE C...	+ ICELAND	+ MALTA	+ POLAND	+ SWEDEN
+ BELIZE	+ DENMARK	✗ INDIA	+ MARSHALL ISLANDS	+ PORTUGAL	+ SWITZERLAND
+ BENIN	+ DJIBOUTI	+ INDONESIA	+ MAURITANIA	+ QATAR	- SYRIAN ARAB REP...
+ BHUTAN	+ DOMINICA	✗ IRAN (ISLAMIC REP...	+ MAURITIUS	+ REP OF KOREA	✗ TAJIKISTAN
✗ BOLIVIA	+ DOMINICAN REP...	✗ IRAQ	+ MEXICO	+ REP OF MOLDOVA	+ THAILAND
+ BOSNIA-HERZEGOVI...	+ ECUADOR	+ IRELAND	+ MICRONESIA (FS)	+ ROMANIA	+ TIMOR-LESTE
+ BOTSWANA	+ EGYPT	+ ISRAEL	+ MONACO	- RUSSIAN FED...	+ TOGO
+ BRAZIL	✗ EL SALVADOR	+ ITALY	✗ MONGOLIA	+ RWANDA	+ TONGA
+ BRUNEI DARUSSAL...	✗ EQUATORIAL GUINEA	+ JAMAICA	+ MONTENEGRO	+ SAINT KITTS-NEVIS	+ TRINIDAD-TOBAGO
+ BULGARIA	- ERITREA	+ JAPAN	+ MOROCCO	+ SAINT LUCIA	+ TUNISIA
+ BURKINA FASO	+ ESTONIA	+ JORDAN	✗ MOZAMBIQUE	+ SAINT VINCENT-GR...	+ TURKEY
✗ BURUNDI	+ ESWATINI	✗ KAZAKHSTAN	+ MYANMAR	+ SAMOA	+ TURKMENISTAN
+ CABO VERDE	+ ETHIOPIA	+ KENYA	✗ NAMIBIA	+ SAN MARINO	+ TUVALU
+ CAMBODIA	+ FIJI	+ KIRIBATI	+ NAURU	+ SAO TOME-PRINCIPE	✗ UGANDA
+ IN FAVOUR:141		- AGAINST:5		✗ ABSTENTION:35	



Funds, Programmes, Specialized Agencies and Others

- **Programmes and Funds:**

- UNDP (United Nations Development Programme) → it plays a critical role in helping countries achieve the Sustainable Development Goals.
- UNICEF (United Nations Children's Fund)
- UNHCR (The United Nations High Commissioner for Refugees)
- WFP (World Food Programme) → Every year, the programme feeds almost 80 million people in around 75 countries.
- UNODC (United Nations Office on Drugs and Crime)
- UNFPA (United Nations Population Fund)
- UNCTAD (United Nations Conference on Trade and Development)
- UNEP (United Nations Environment Programme)
- UNRWA (United Nations Relief and Works Agency for Palestine Refugees)
- UN Women
- UN-Habitat



- **UN Specialized Agencies:** these are autonomous organizations working with the United Nations.
 - **World Bank** (World Bank Group: International Bank for Reconstruction and Development (IBRD); International Centre for Settlement of Investment Disputes (ICSID); International Development Association (IDA); International Finance Corporation (IFC); Multilateral Investment Guarantee Agency (MIGA)
 - **IMF** (International Monetary Fund)
 - **WHO** (World Health Organization)
 - **UNESCO** (United Nations Educational, Scientific and Cultural Organization)
 - **ILO** (International Labor Organization)
 - **FAO** (Food and Agriculture Organization)
 - **IFAD** (International Fund for Agricultural Development)
 - **IMO** (International Maritime Organization)



- **WMO** (World Meteorological Organization)
- **WIPO** (World Intellectual Property Organization)
- **ICAO** (International Civilian Aviation Organization)
- **ITU** (International Telecommunication Union)
- **UNIDO** (United Nations Industrial Development Organization)
- **UPU** (Universal Postal Union)
- **UNWTO** (World Tourism Organization)
- **Related Organizations**
 - **IAEA** (International Atomic Energy Agency)
 - **WTO** (World Trade Organization)
 - **CTBTO** (Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization)
 - **OPCW** (Organisation for the Prohibition of Chemical Weapons)

Sustainable Development Goals

Spillover effect

Each country's actions can have positive or negative effects on other countries' abilities to achieve the SDGs. A higher score means that a country causes more positive and fewer negative spillover effects.



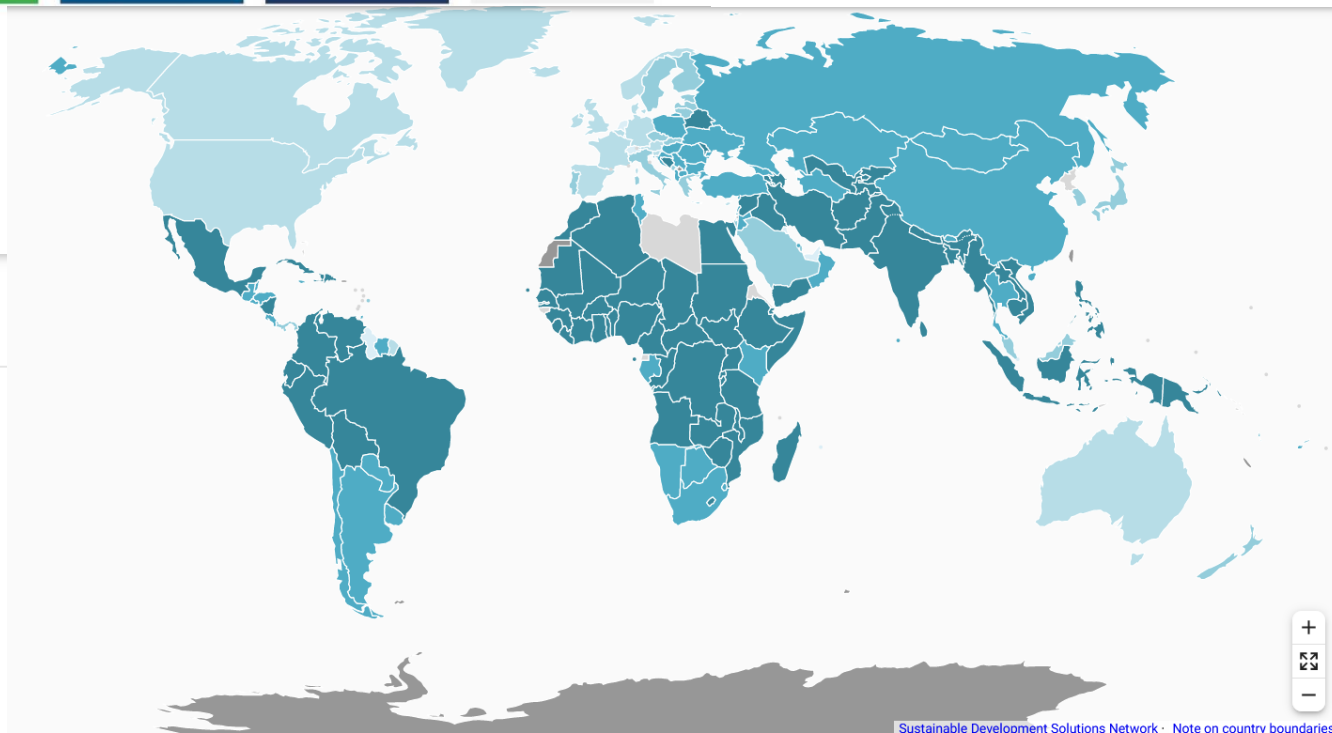
SDR 2021

Spillover score

Legend

Click on a country to see its performance.

- > 95
- 80 - 95
- 65 - 80
- 50 - 65
- < 50
- Information unavailable



Critics

- **Criticism of the United Nations** has encompassed numerous arguments regarding various aspects of the organization, such as policy, ideology, equality of representation, administration, ability to enforce rulings, and ideological bias.
- **Oil for Food Programme:** in 1995 it was established to allow Iraq to sell oil on the world market in exchange for food, medicine, and other humanitarian needs for ordinary Iraqi citizens without allowing Iraq to boost its military capabilities.
 - The Oil-for-Food Programme was instituted to relieve the extended suffering of civilians as the result of the United Nations' **imposition of comprehensive sanctions** on Iraq after following Iraq invaded Kuwait in August 1990.
 - The programme also suffered from widespread corruption and abuse.
- **Peacekeeping child sexual abuse scandal**
- **Haiti cholera outbreak:** UN aid workers from Nepal were identified the source of a cholera outbreak which killed over 10,000 Haitians and sickened hundreds of thousands more.
- G4: Brazil, Germany, India, Japan



„The perfect operation of the UN”



www.CoxAndForkum.com

G7, G8, G20



- 1975: Canada, France, Germany, Italy, Japan, the United Kingdom, the United States – G7
- 1981. The EU (the European Commission) has regularly taken part in all sessions since this year.
- 1998: Russia – G8
- G20: G8 + EU + Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Saudi Arabia, South Africa, South Korea, Turkey.
 - The G20 is an informal forum that promotes **open and constructive discussion** between industrial and emerging-market countries **on key issues related to global economic stability**. It was created as a response both to the financial crises of the late 1990s and a growing recognition that key emerging-market countries were not adequately represented at the core of global economic discussion and governance.
- The G7/8 deals with such issues as: global economic outlook and macroeconomic management, international trade, energy, climate change, and relations with developing countries. Recently, the summit agenda has broadened considerably to include a host of political-security issues ranging from human rights through regional security to arms control.

Bretton Woods system



- 1944. July 1-22. Bretton Woods (New Hampshire, USA) conference about the future.
 - IBRD
 - IMF
 - GATT
- Objectives: to create a political, military and economic system which would ensure long-term stability.
 - main tasks: support post-war recovery, economic development and to make a global system.
- Bretton Woods system: first international monetary system → it obliged each country to tie its currency to the US dollar (fixed exchange rates with a +/- 1% of parity), while the convertibility of the USD was pegged to gold (35 USD an ounce), 80% of the world's gold reserves being located in the United States at the time.
 - The system was labelled the 'gold standard'.
 - The system collapsed in 1971 and the USA introduced a floating exchange rate system for the US dollar.



- Established in 1944, the World Bank Group is headquartered in Washington, D.C.
- 189 member states. Director: David Malpass (2019-)
- The World Bank Group consists of five organizations:
 - The International Bank for Reconstruction and Development (IBRD)
 - The International Development Association (IDA)
 - The International Finance Corporation (IFC)
 - The Multilateral Investment Guarantee Agency (MIGA)
 - The International Centre for Settlement of Investment Disputes (ICSID)
- The World Bank Group has set two goals for the world to achieve by 2030:
 - End extreme poverty by decreasing the percentage of people living on less than \$1.90 a day to no more than 3%
 - Promote shared prosperity by fostering the income growth of the bottom 40% for every country
- Financial and technical assistance to developing countries
 - low-interest loans, zero to low-interest credits and grants
 - wide range of investments (such as education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management).

IMF



- The 44 countries at the Bretton Woods conference (1944) sought to build a framework for economic cooperation to avoid a repetition of the competitive devaluations that had contributed to the Great Depression of the 1930s.
- The IMF's main responsibility:
 - to ensure the stability of the international monetary system
- Original aims:
 - promote international monetary cooperation;
 - facilitate the expansion and balanced growth of international trade;
 - promote exchange stability;
 - assist in the establishment of a multilateral system of payments; and
 - make resources available (with adequate safeguards) to members experiencing balance of payments difficulties.
- Under the Bretton Woods system the IMF contributed temporary funds to central banks of member states which were struggling with an intolerable pressure on their national currencies.
 - When the inflation rate reached a threshold level, national banks took loans from the IMF to buy up national currency in order to create demand for it, which made it stronger, and so restore the balance.



Duties in the Bretton Woods system and after that

- After the demise of the Bretton Woods system, the IMF faced new challenges and its role changed. Since the mid 1970s it has offered development loans to the poorest countries in the world.
 - Now: to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
- HOW?
 1. **Surveillance**
 2. **Lending**
 3. **Technical Assistance**
- The IMF's gold holdings amount to about 90.5 million troy ounces (2,814.1 metric tons), making the IMF one of the largest official holders of gold in the world.



Conditions of loans

- On giving loans to countries, the IMF make the loan conditional on the implementation of certain economic policies. These policies tend to involve:
 - Reducing government borrowing – Higher taxes and lower spending
 - Higher interest rates to stabilise the currency.
 - Allow failing firms to go bankrupt.
 - Structural adjustment. Privatisation, deregulation, reducing corruption and bureaucracy.
- The IMF offered a record amount of loans (almost 250 billion USD) to member states in 2010.
- The IMF has been in need of **reforms** for years (**modernisation of member state quotas and to increase the participation of low-income developing states**).



Critics

- in some cases the IMF (like in Thailand, Malaysia and Indonesia at the end of the 1990s or in Argentina in 2001) have deepened crises.
- lack of accountability
- willingness to lend to country's with bad human rights record
- allowing inflationary devaluations
- promoting privatisation
- too interventionist
- Supporting military dictatorships

- Response to criticisms:
 - Crisis always lead to some difficulties
 - IMF have had some successes
 - Confidence
 - Countries are not obliged to take an IMF loan
 - IMF easy target



WTO

- Location: Geneva, Switzerland
- Established: 1 January 1995
- Created by: Uruguay Round negotiations (1986-94)
- Membership: 164 countries on 29 July 2016
- Budget: 197 million Swiss francs for 2015
- Secretariat staff: 634
- Head: Roberto Azevêdo (Director-General)
- Functions:
 - Administering WTO trade agreements
 - Forum for trade negotiations
 - Handling trade disputes
 - Monitoring national trade policies
 - Technical assistance and training for developing countries
 - Cooperation with other international organizations



Brief history

- GATT: 1948-1994
 - Originally it would have been the third “Bretton Woods” institutions → International Trade Organization (ITO) as a specialized agency of the United Nations → but it failed.
 - multilateral negotiations known as “trade rounds”
 - Kennedy Round (1964-1967): Anti-Dumping Agreement and a section on development + to cut farm and industrial tariffs
 - Tokyo Round (1973-79): tackle trade barriers that do not take the form of tariffs, and to improve the system.
 - **The results included an average one-third cut in customs duties** in the world’s nine major industrial markets, bringing the average tariff on industrial products (especially in the manufacturing of civil aircraft) down to 4.7%.
 - **cutting agricultural tariffs** and tariffs on tropical products.
 - **A generalised system of preferences was established to benefit developing countries in a non-refundable way**



- Uruguay Round (1986-94): was the last and most extensive of all. It led to the WTO and a new set of agreements.
 - **The WTO (1994-) replaced GATT (1947-1994)**
 - its central topics being **trade in services, the further liberalisation of agriculture and the protection of intellectual property rights.**
- Doha Round (2001-)
 - in 2001-2006 **expanded intellectual property regulations** and further facilitated the integration of developing countries.
 - WTO partly new tasks: it intends to liberalise international trade, remove tariff and non-tariff trade barriers (including duties, quotas, quality prescriptions, standards and other administrative rules, e.g. duty lines) in order to enhance economic development and generate wealth. The WTO is also responsible for the protection of customers and the prevention of epidemic diseases.



- The WTO agreements cover:
 - goods,
 - services
 - intellectual property.
- Principles of liberalization and deregulations, and permitted exceptions.
- Objective: lower customs tariffs and other trade barriers, and to open and keep open services markets.
- The agreements are not static; they are renegotiated from time to time and new agreements can be added to the package. Many are now being negotiated under the Doha Development Agenda, launched by WTO trade ministers in Doha, Qatar, in November 2001.



Principles and results

- **Non-discrimination.**
- More open
- Predictable and **transparent**: Foreign companies, investors and governments should be confident that trade barriers should not be raised arbitrarily. With **stability and predictability**, investment is encouraged, jobs are created and consumers can fully enjoy the benefits of competition — choice and lower prices.
- **More competitive**: Discouraging ‘unfair’ practices, such as export subsidies and dumping products at below cost to gain market share.
- More beneficial for less developed countries
- Protect the environment: the WTO’s agreements permit members to take measures to protect not only the environment but also public health, animal health and plant health. However, these measures must be applied in the same way to both national and foreign businesses.

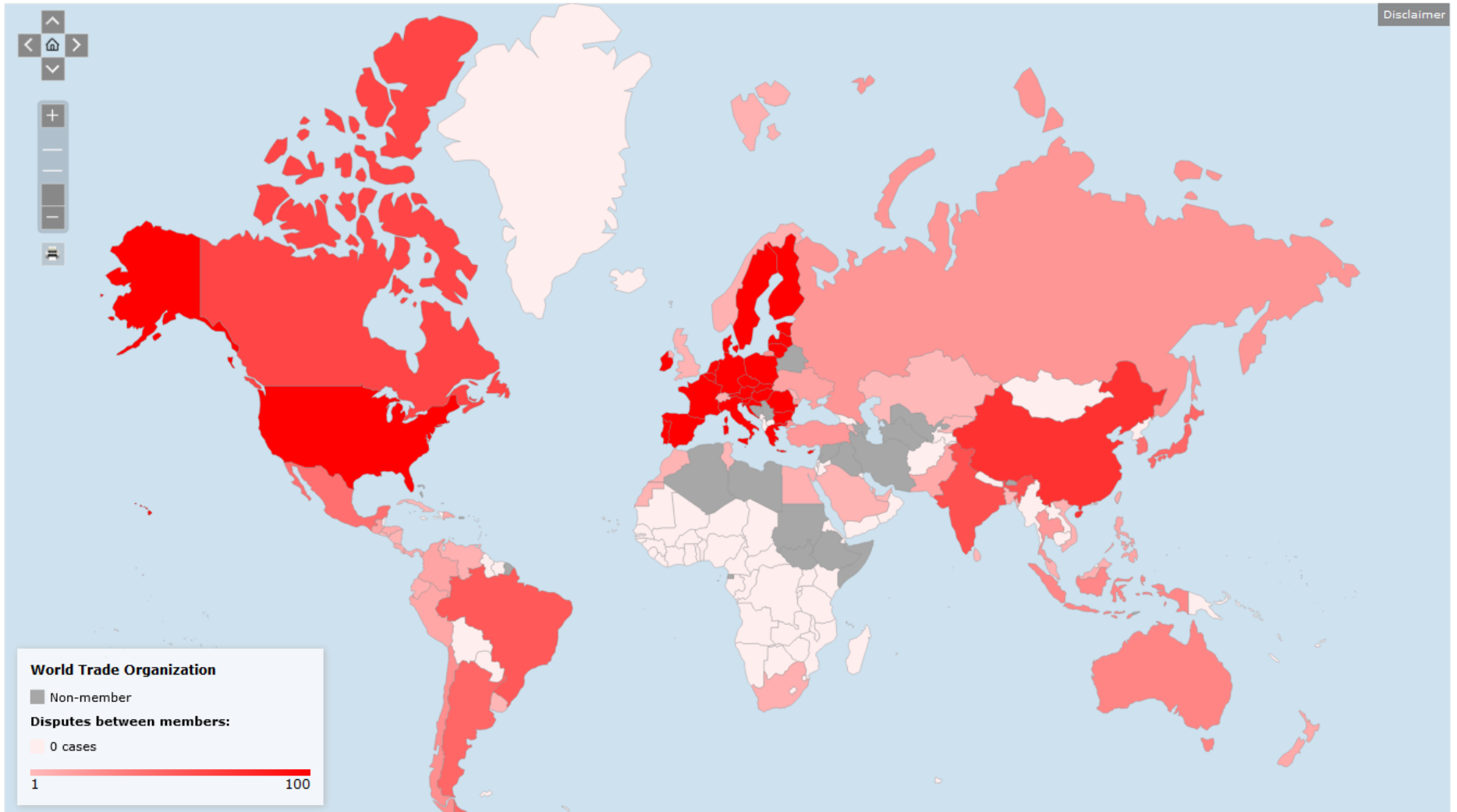


Facts

- In 2016 it has 164 members which account for 95% of world trade.
- **Decisions are consensus-based**, although in theory majority voting is also an option (but this has never happened yet).
- About 75% of WTO members are developing or less developed countries.
- The organisation aims to provide them with long-term special benefits in order to enhance their trading opportunities and it also offers assistance to settle disputes, keep appropriate records and observe technical standards.
- The WTO's two main principles include **reciprocity** and **the principle of non-discrimination**; i.e. the **most-favoured-nation principle** (this means that a contracting party must apply the same trading conditions with another contracting party that it has already used with a third party).
- The successful operation of the WTO is supported by the fact that world trade increased by a factor of 22 times between 1950 and 2000, thus contributing to global economic development!



Map of disputes between WTO Members (2021)



Note: In its communication of 4 January 2021 (WT/GC/226), the United Kingdom indicated that until the expiry of the transition period on 31 December 2020, the United Kingdom was treated as a Member State of the European Union for the purpose of ongoing WTO disputes to which the European Union was a party.



Disputes between WTO members

- Although the WTO settles trade disputes between member countries, it is important to note that these ‘wars’ affect “only a fraction of massive scale transactions, i.e. **0.2-2%** per period”. Disputes typically belong to the following four main areas:
 - disputes about trading traditional agricultural products (e.g. the common agricultural policy of the EU, or the trade in bananas);
 - disputes arising from the development of technology (mainly biotechnology) and IT (hormone-treated products, genetically modified agricultural products);
 - disputes about the distortion of competition (Boeing – Airbus disputes); and,
 - disputes relating to the commercial impacts of political-security issues



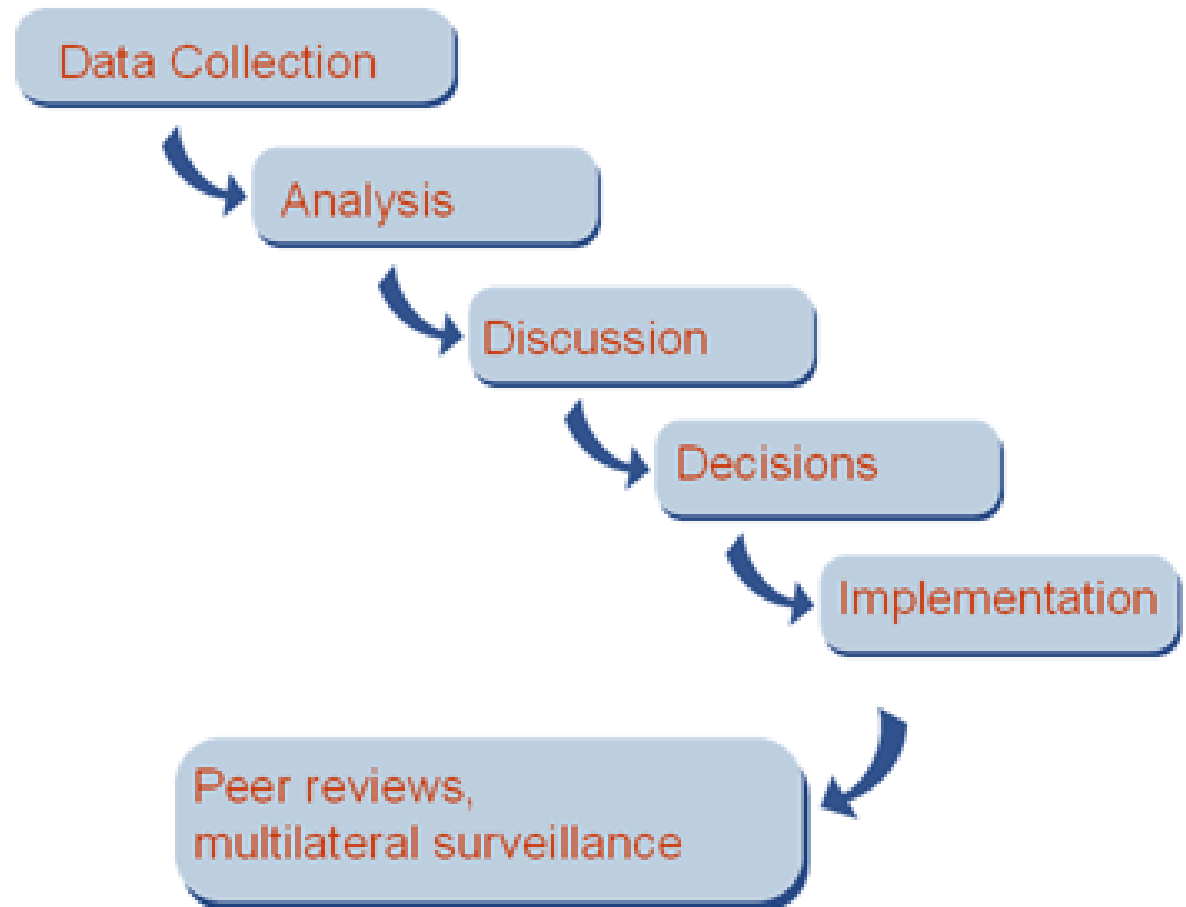
OECD

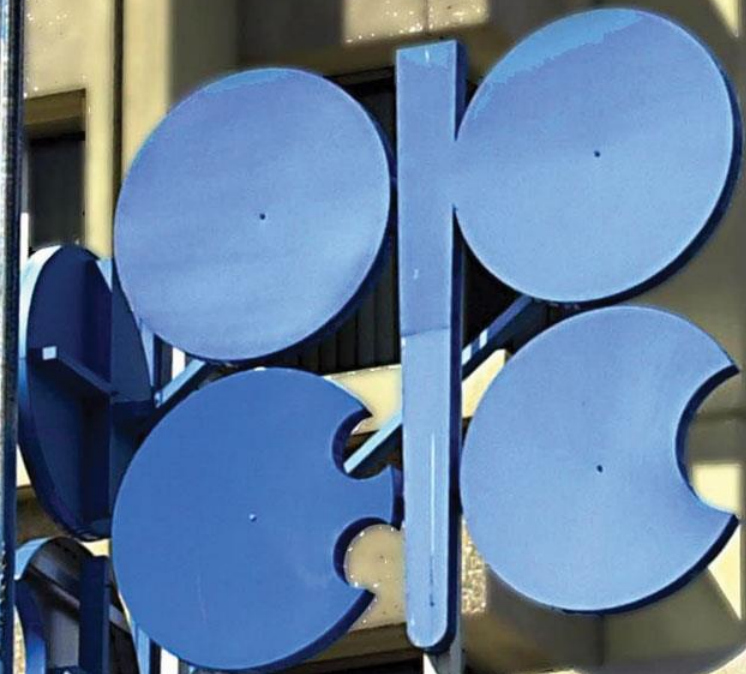
- In 1948, the OECD originated as the **Organisation for European Economic Co-operation (OEEC)** to help administer the Marshall Plan.
- On 14 December 1960, 20 countries originally signed the Convention on the Organisation for Economic Co-operation and Development. Since then, 15 countries have become members of the Organisation.
- Members: Australia (1971), Austria (1961), Belgium (1961), Canada (1961), Chile (2010), Czech republic (1995), Denmark (1961), Estonia (2010), Finland (1969), France (1961), Germany (1961), Greece (1961), Hungary (1996), Iceland (1961), Ireland (1961), Israel (2010), Italy (1962), Japan (1964), Korea (1996), Latvia (2016), Luxembourg (1961), Mexico (1994), Netherlands (1961), New zealand (1973), Norway (1961), Poland (1996), Portugal (1961), Slovak republic (2000), Slovenia (2010), Spain (1961), Sweden (1961), Switzerland (1961), Turkey (1961), United Kingdom (1961), United States (1961)

OECD

- OECD uses its wealth of information on a broad range of topics to help governments foster prosperity and fight poverty through economic growth and financial stability. It helps ensure the environmental implications of economic and social development are taken into account.

OECD's way of working





OPEC



Organization of the Petroleum Exporting Countries

- It has Statute.
- Mission: coordinate and unify the petroleum policies of its Member Countries and ensure the stabilization of oil markets in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers and a fair return on capital for those investing in the petroleum industry.
- It is a permanent, intergovernmental Organization, created at the Baghdad Conference on September 10–14, 1960, by Iran, Iraq, Kuwait, Saudi Arabia and Venezuela.
- Members: Qatar (1961), Indonesia (1962), Libya (1962), the United Arab Emirates (1967), Algeria (1969), Nigeria (1971), Ecuador (1973), Gabon (1975), Angola (2007), Indonesia (2016), Gabon (2016)
- 1965. New headquarter: Wien, Austria.
- Until 1973: weak power, mainly quantitative restrictions.

Brief history



- 1960s:
 - extensive **decolonisation** → the birth of many new independent states in the developing world.
 - international oil market was dominated by the “**Seven Sisters**” multinational companies
- 1970s:
 - Member Countries **took control of their domestic petroleum industries.**
 - **Oil prices rose steeply** in a volatile market, triggered by the Arab oil **embargo in 1973** and the outbreak of the Iranian Revolution in 1979.
- 1980s:
 - **After reaching record levels early in the decade, prices began to weaken, before crashing in 1986**, responding to a big oil glut and **consumer shift away from this hydrocarbon** → causing severe economic hardship for many Member Countries.
 - OPEC introducing a group production ceiling divided among Member Countries and a Reference Basket for pricing.
 - **Environmental issues** emerged on the international energy agenda.

- 1990s:
 - Excessive **volatility and general price weakness** dominated the decade.
 - A solid recovery followed in a more integrated oil market, which was adjusting to the post-Soviet world, greater regionalism, globalisation, the communications revolution and other high-tech trends.
- 2000s:
 - An innovative OPEC oil price band mechanism helped strengthen and stabilise crude prices in the early years of the decade.
 - But a **combination of market forces, speculation and other factors** transformed the situation in 2004, pushing up prices and **increasing volatility** in a well-supplied crude market.
 - **Oil was used increasingly as an asset class.**
 - **Prices soared to record levels in mid-2008**, before collapsing in the emerging global financial turmoil and economic recession.
- 2010s:
 - Prices were stable between 2011 and mid-2014, before a combination of speculation and oversupply caused them to fall in 2014.
 - Trade patterns continued to shift, with demand growing further in Asian countries and generally shrinking in the OECD.



Below, we show how the price of oil has changed in response to various events over the last five decades.

● Imported Refiner Acquisition Cost ● West Texas Intermediate

Crude oil price (\$/barrel, real 2010 dollars)

\$150

\$125

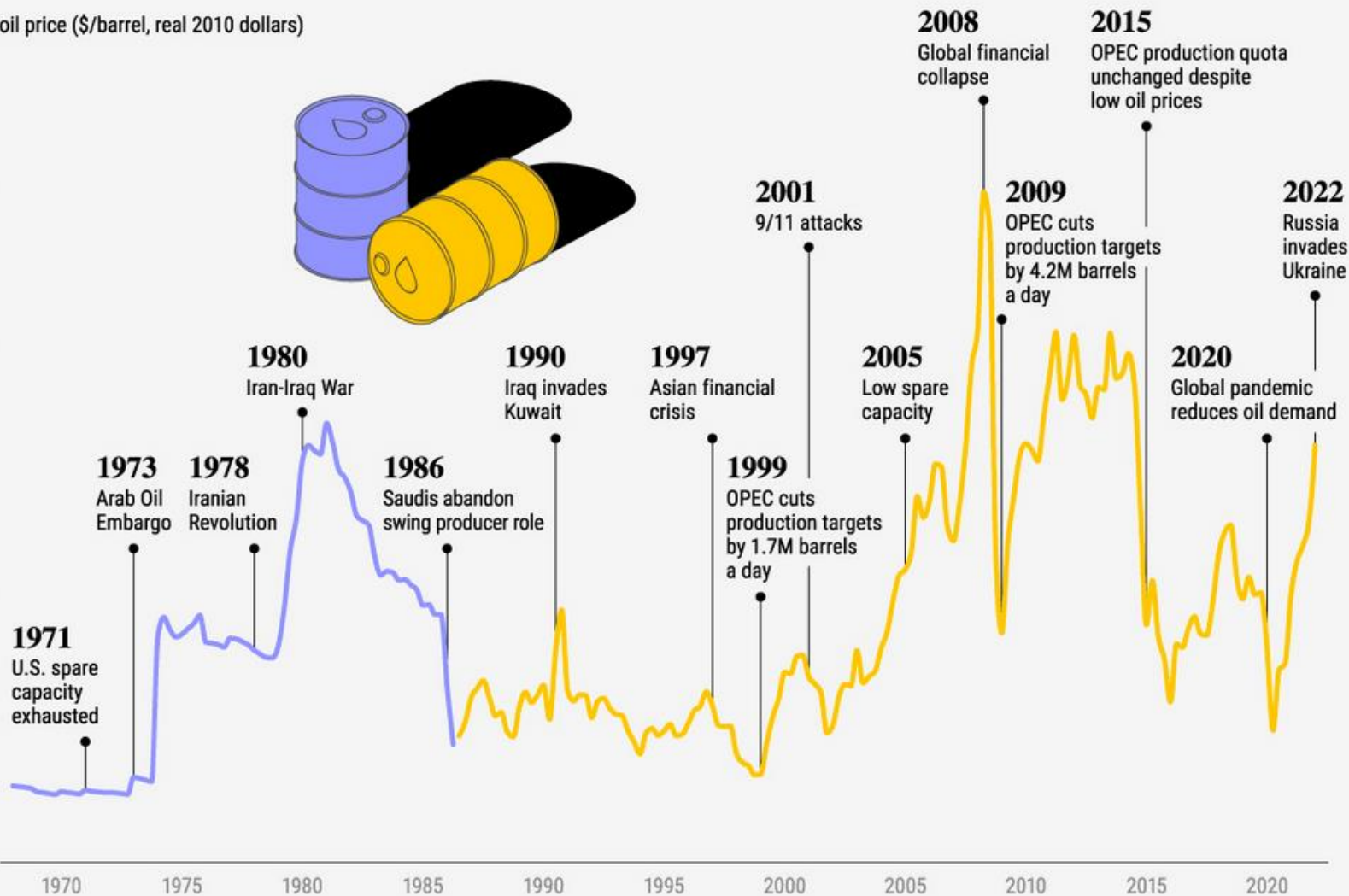
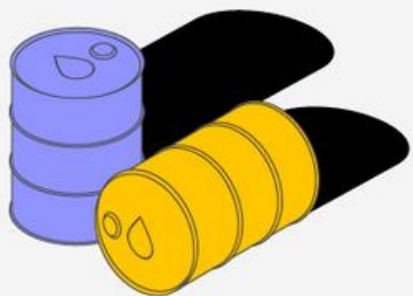
\$100

\$75

\$50

\$25

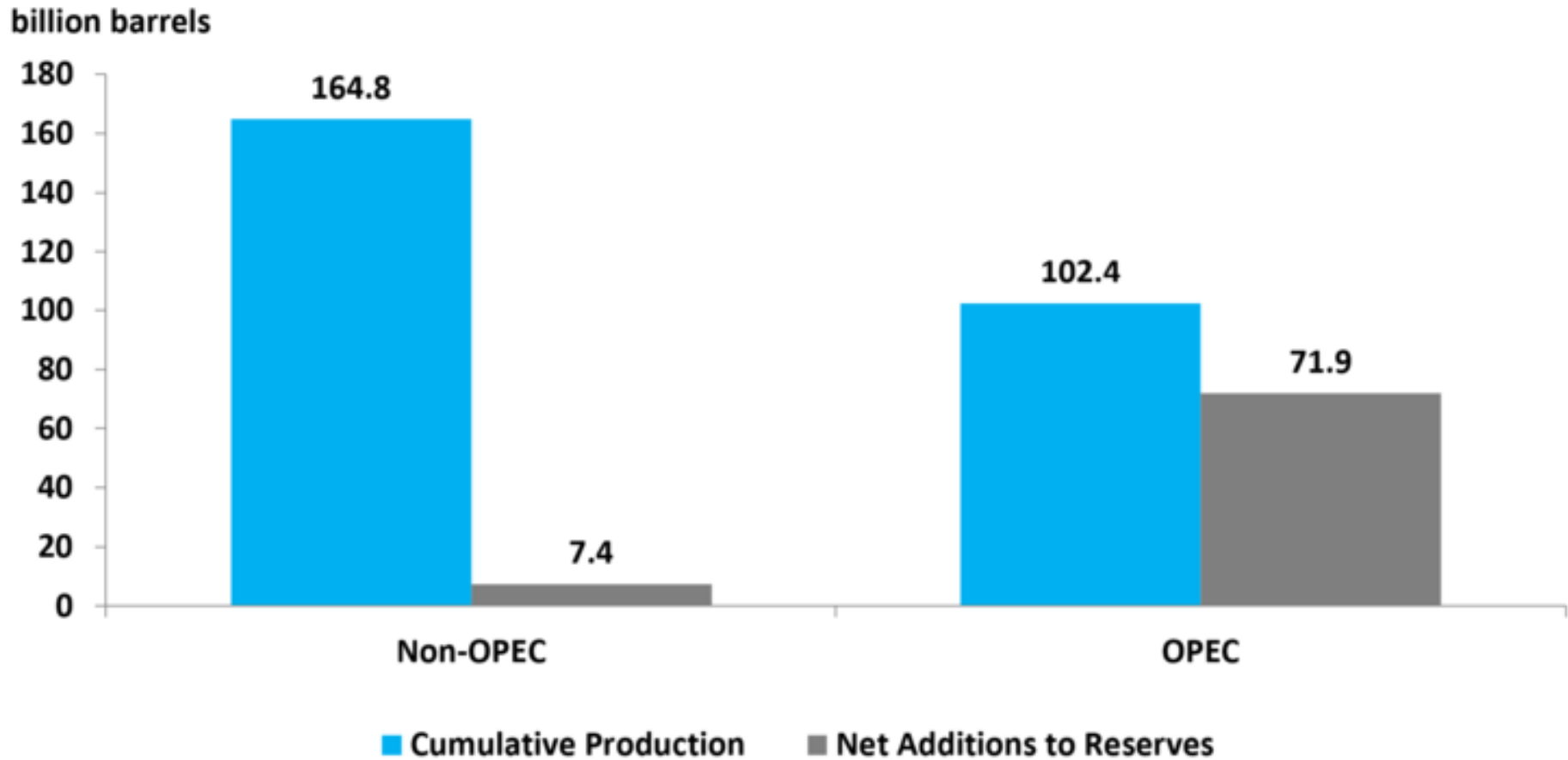
\$0



Source: U.S. Energy Information Administration, Refinitiv (Mar 2022)



World Proven Crude Oil Reserves Cumulative Production versus Net Additions (2014-2023)

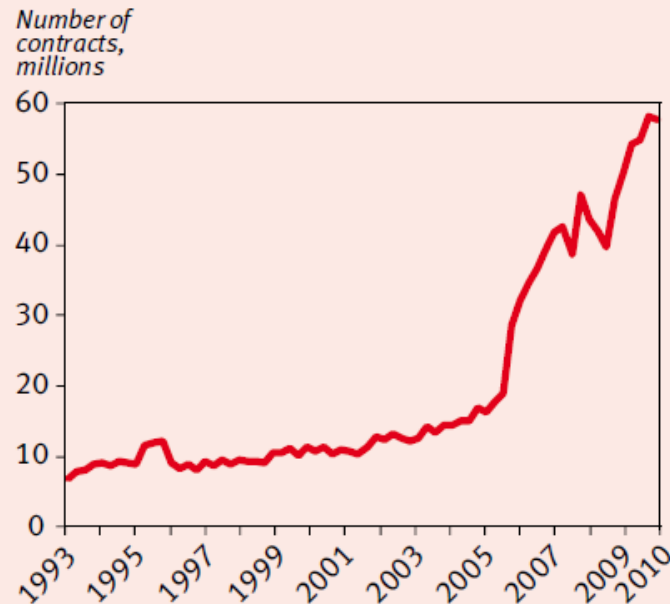


World oil demand and supply



	2010	2015	2020	2025	2030
World oil demand	85.5	91.0	96.2	100.9	105.5
Non-OPEC supply	51.9	53.9	55.7	56.6	57.5
OPEC crude supply	29.3	30.8	33.2	36.0	38.7

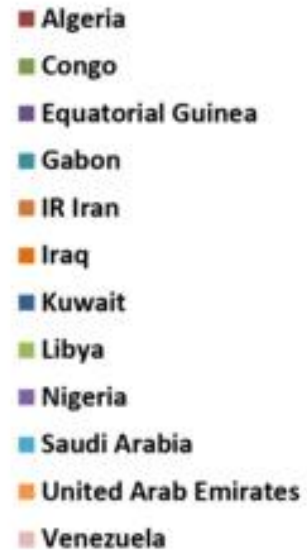
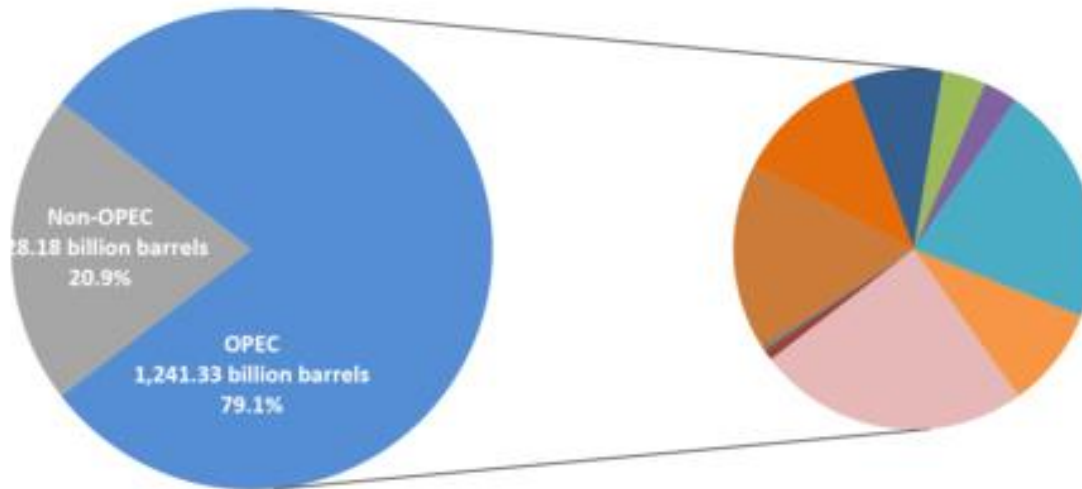
Futures and options contracts outstanding on commodity exchanges, March 1993–June 2010



Source: Bank for International Settlements, 2010.

Source: OPEC

OPEC Share of World Crude Oil Reserves, 2023

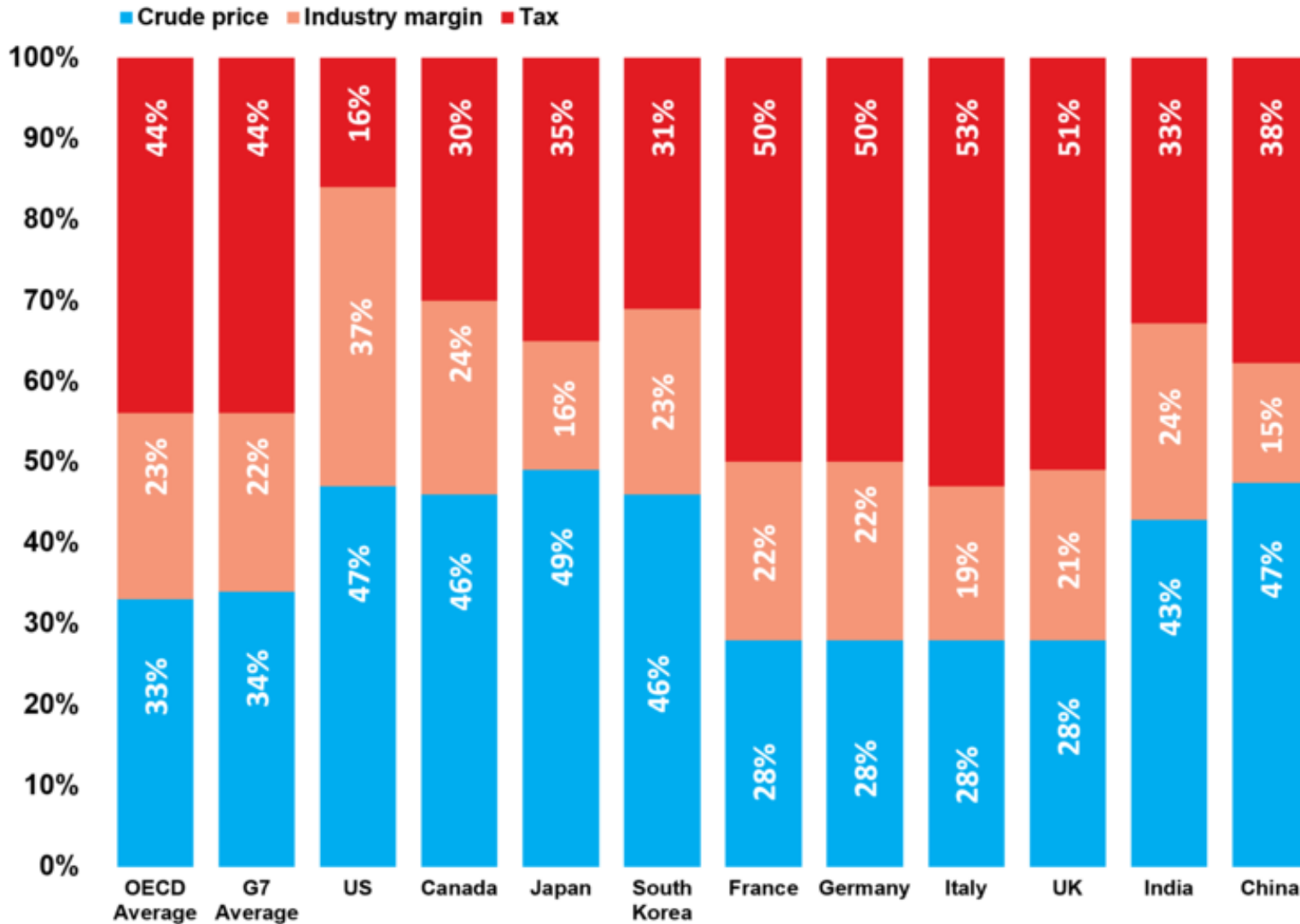


OPEC proven crude oil reserves, at end 2023 (billion barrels, OPEC share)

Venezuela	303.01	24.4%	United Arab Emirates	113.00	9.1%	Algeria	12.20	1.0%
Saudi Arabia	267.23	21.5%	Kuwait	101.50	8.2%	Gabon	2.00	0.2%
IR Iran	208.60	16.8%	Libya	48.36	3.9%	Congo	1.81	0.1%
Iraq	145.02	11.7%	Nigeria	37.50	3.0%	Equatorial Guinea	1.10	0.1%

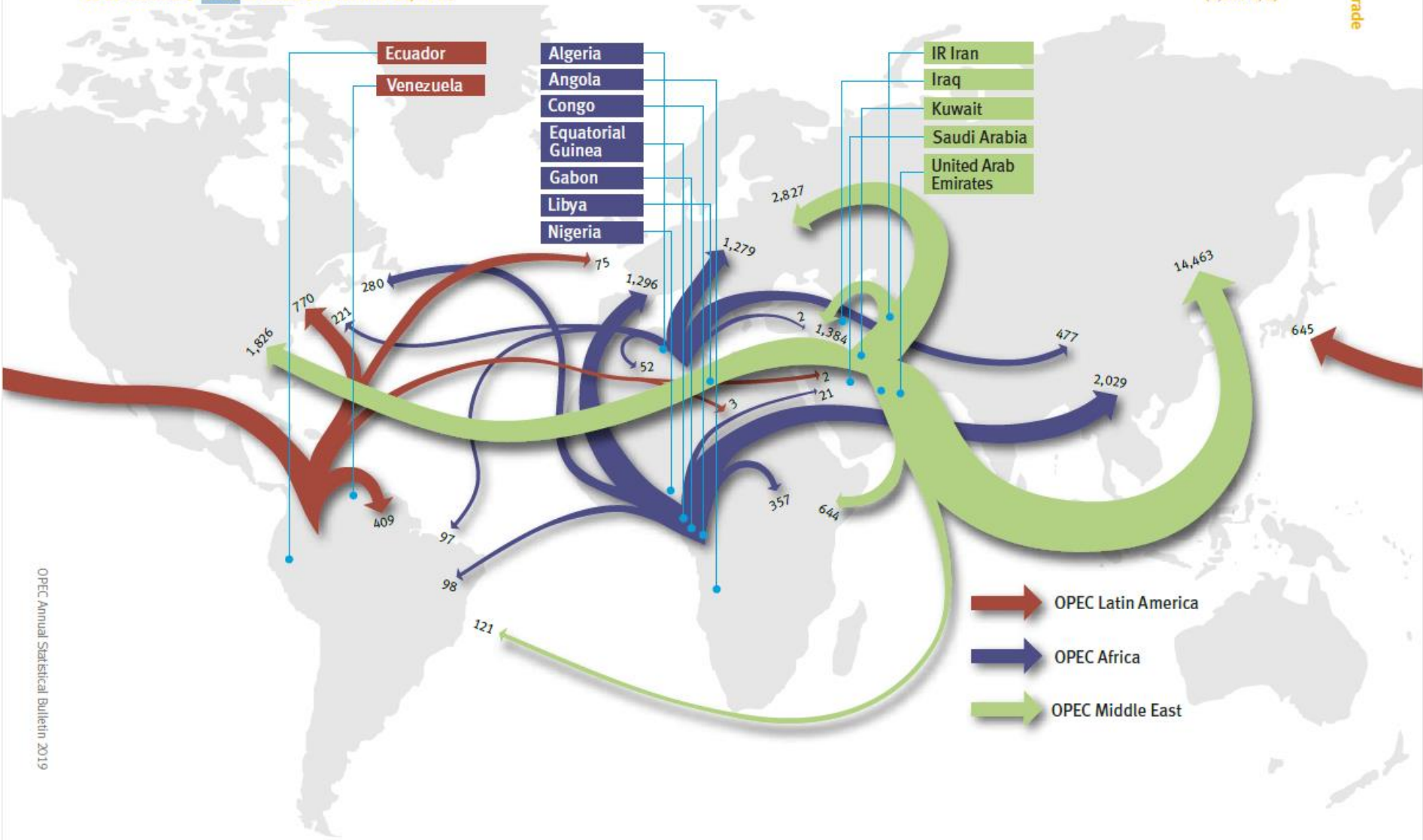
Energy taxes

Who gets what from a litre of oil in 2023



Graph 5.9
OPEC Members' flows of crude and refined oil, 2018

(1,000 b/d)





Ron
Mizem

"PLEASE, SIR,
WE'D LIKE SOME
MORE!"





Thank you for attention!