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## **Recap of FMG Discussion on Global Turbulence and WTO Reform**

- A widely shared concern on the ongoing situation, with the turbulent and disruptive unilateral non-WTO conforming trade measures, the uncertainty created, implications for the WTO, as well as the stalemate on WTO reform, e.g. DSB/AB, JSIs, etc.
- A strong appeal to stay calm and self-constrain to resort to a tit-for-tat escalating retaliation, and, if must retaliate, for moderated and well-targeted counter measures.
- An equally strong appeal to use WTO mechanisms to discuss and seek resolutions for such measures, including the use of the WTO DSB, at least the panel process.
- A serious worry of a repetition of the “bilateralism” in Trump 1.0, with most, if not all such bilateral agreements non-WTO conforming and detrimental to other members’ interests.
- Many suggest that other members should coordinate for a political statement that they will hold fast the WTO and its basic rules, keep trade among them under WTO disciplines, for those targeted by unilateral measures, coordinate to resort to WTO DSB, and keep pushing forward WTO reforms, particularly through plurilateral initiatives.
- Many believe that the root of the ongoing situation lies in much broader, deeper, and more fundamental contradictions, hence a political level and constitutional dialogue and negotiation is needed to tackle issues such as geopolitics, rebalancing, and the survival of the MTS.
- At the same time, many believe that a Bretton-Woods wide consultation is need by engaging other organizations and engaging financial ministers to tackle the

macro-economic issues, e.g. trade imbalance, and seek rebalancing solutions.

- Some cautioned against potential movements to isolate or alienate US/Trump. Other members should rather engage them one way or the other, including to incite them by going ahead with reforms most probably without US participation.
  
- Finally, a strong appeal, a very strong one, that leadership must come from new ones, such as certain major players and middle-grounders, while recognizing that the Russia-Ukraine war and some elections may handicap these members to play such leadership role, at least in the next few months. Such leading ones should organize meetings of likely-minded members, a small configuration first, and then expanded to a larger group of the willing ones.

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