

Research Poster from the
Canadian Agricultural Trade Policy and Competitiveness Research
Network (CATPRN)
Enabling Research for a Competitive Agriculture



Abstract CATPRN-06

**Determining the Likelihood of Agri-Food Disputes: An Investigation on the
Success of the WTO**

Nicolas Tavchandjian and Alan Ker

*Dept of Food Agricultural and Resource Economics
University of Guelph*

The World Trade Organization was created to promote free trade and govern multilateral trade agreements as a fair and non-discriminating body. Literature on participation challenges this assumption of impartiality and suggests the presence of a bias within the organization's dispute settlement system. Previous studies have proven that the fear of retaliation is the most decisive factor when considering litigation. Other studies have suggested that sizeable expected benefits from dispute settlement have a greater impact on participation. Given the emergence of new members such as China, Ukraine and Taiwan these results are subject to change. In order to test the suggested hypotheses, a new dataset ranging from 2001-2010 was built to account for some of the changing trends in participation. While the results from the sector specific analysis failed to provide significant support for fear of retaliation, they showed evidence that expected returns motivate the initiation of litigations. Findings also suggest that members, heavily dependent on agriculture, are more likely to join agri-food cases as third parties. This study will provide, through the analysis of agri-food cases, valuable insights on the changes in the behavior of participants over the last decade.

Growing Canada's Agricultural Economy: The Role of Trade
3rd Annual Canadian Agriculture Policy Conference
January 23-25, 2013
Ottawa, Canada