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Negotiating Entry: Key Lessons Learned

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China’s accession to the World Trade Organization (WTO) has taken 15 years of arduous and protracted negotiations. Assessing this process is a worthy undertaking, albeit one that invites controversy. Many thought that, as a major trading country, China was to join the WTO as a matter of course. Others thought that, because of its sheer size and importance, the WTO had to handle China’s accession with the utmost care. Whichever the approach, 15 years of negotiations seem far too long to achieve such a goal, particularly in relation to the average time taken by others who have acceded to the WTO.

Oddly enough, as the chief negotiator, having had to endure so many difficulties and shoulder so many burdens along this long process, I now believe that it may prove to be a good thing for China to have undergone these difficult years of negotiation. It may seem illogical, but it is true. The key is how one views the accession process. If you look at this process of negotiation only as one in which you have to make endless concessions to your partners and confront endless challenges at home for the sake of obtaining a WTO membership card, then you would find this process very painful and long indeed. If, instead, you look at the process from a strategic point of view, in the framework of China’s long-term economic development as well as its relationships with the rest of the world, you will find that many positive elements have been generated through this historic process.

Building a consensus

The fact is that many people only perceive the apparent toughness and painfulness of the negotiations themselves. They do not know that
there is another side to the coin, an even tougher and therefore more significant process: one of consensus-building among our own people at home on some major issues which are confronted not only by China but also by many other countries, especially the developing ones.

The issues include, although are not limited to:

- How economic globalization should be addressed
- How to achieve a balance between trade liberalization and the promotion of development
- How to tackle social issues such as unemployment in the restructuring of the economy

It is the process of consensus-building around these major issues at home which turns out to be the most important component of China’s WTO negotiations.

The fact that China’s accession to an international organization would have such a wide impact throughout the world is something we had not expected at all. The important thing is that we in China have successfully and skilfully handled the domestic side of the accession process and have transformed the pressure generated by these negotiations, both at home and abroad, and turned them into a promoter, a catalyst for China’s historic process of economic reform and opening to the outside world – a process started by Deng Xiaoping 23 years ago.

That is the most significant lesson we can draw from the negotiations: that we have involved not only dozens of negotiators but also millions of ordinary Chinese in the process. To some extent, the process became an unprecedented, massive education programme for our people regarding globalization and the restructuring of the economy, with their positive as well as negative implications for their day-to-day life. I believe that this striking feature of China’s WTO accession, not as a diplomatic exercise in Geneva but as a range of broad-based activities involving millions of people in a quest for a better life, is a unique experience in the modern world.

**The issues China had to confront**

In order to understand this unique feature of China’s accession to the WTO, it is important to examine the major outcomes of the past 15 years of negotiation. In order to acquire the right to WTO membership, China has made numerous commitments, which can be grouped in two broad categories: first, to observe international rules and practices;