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### Globalization Means Consumer Power

The World Export Development Forum closed today with a challenge from ITC Executive Director Patricia R. Francis to export policy makers to adapt to the new world of international commerce.

“Globalization is actually about consumer power at the end of the day,” she told participants. “We can’t ignore that.”

If we are going to be successful in trade, we have to think about consumer wants and needs, not just market requirements, she declared. At the same time, “trade is not just for its own sake but should be used as a means for development. We should never forget that at the end of the day what we are after is better livelihoods for our people and to get rid of the scourge of poverty.”

But in a world of rapid change, it is not simply a matter of what trade policymakers are doing and how they do it. “We have to create a whole new culture of exporting.”

The role of government in trade was contested, with business anxious about interference, but finally agreeing that dialogue is necessary. One participant said government should be a facilitator, another that it should be a rule-keeper. Governments can do something about improving the business environment. “We heard too that export strategies matter -- but they can only be effective if you involve the exporters, the people who are actually doing the exporting.”

As a result, almost every conversation mentioned the need for public-private dialogue and dialogues. Business should be brought into negotiations. Networking is important among trade support institutions. Public-private partnerships are critical to the building of infrastructure.

“Entrepreneurship is the application of resources to ideas and innovation,” she pointed out, “and innovation is certainly helped by education and training.”

At the same time, globalization means there is no longer an easy way to export unless traders understand the markets, she said. The four-day World Export Development Forum heard much debate on “NTBs (non-tariff barriers), on arbitrary and inconsistent standards, on zero-risk consumers, on new green restraints, on social issues, including working conditions,” the Executive Director said.

Today if we are going to be successful, we no longer have to think only about market access. We also have to take into consideration consumers’ wants and needs. The challenge is going to be how to put in place the mechanisms to understand what this consumer power is about. Exporters have to show they understand consumer demands “if they want to be part of the game,” she said.

The problem is that many countries don't have the resources to monitor their compliance with consumer standards. Nor do exporters understand the rules of the game. They often see the business next door as their competitor, when the competition comes from somewhere else across the globe. In these circumstances, "the businessman next door to us certainly is going to have to be our collaborator if we are going to meet some of these challenges."

To get to the consumer, exporters need market intelligence, and she heard over and over again questions about how to obtain this information, the ITC Executive Director reported.

"We are never going to be able to chart progress, either, unless we put monitoring and evaluation mechanisms in place," she added.

The meeting had several discussions about the Doha Round of trade liberalization. "We don't know whether it will finish in two years or in December," Francis reported.

The World Export Development Forum heard that developing countries are the fastest growing markets for the South, that public-private partnership is needed for regional cooperation and that clustering can help SMEs attract foreign investment for exporting. The participants also heard that one-third of all new SMEs are run by women, and that women's enterprises are more likely to make a difference to the lives of small households. As a participant said, "we need to rebalance the trade map," Francis added.

She hoped the discussions had given participants new ideas to take back to their offices. But success depends on action at home and agencies giving "national ownership" to assistance efforts – "you describing your own vision," she told the developing and transition economy strategists, "with that vision developed as a result of some national consensus. It is about you setting goals."

She announced that a second World Export Development Forum would take place next year in Montreux.

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**For more information:**

Reports on all sessions, photos and video clips are available online at <http://www.intracen.org/wedf>

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**About ITC**

The International Trade Centre is the joint technical cooperation agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO).