

# INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

I  
J  
R  
C  
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

*Indexed & Listed at:*

[Ulrich's Periodicals Directory ©, ProQuest, U.S.A.](#), [EBSCO Publishing, U.S.A.](#), [Cabell's Directories of Publishing Opportunities, U.S.A.](#), [Google Scholar](#),

[Indian Citation Index \(ICI\)](#), [J-Gate, India](#) [link of the same is duly available at [Inflibnet of University Grants Commission \(U.G.C.\)](#)].

[Index Copernicus Publishers Panel, Poland](#) with [IC Value of 5.09 \(2012\)](#) & [number of libraries all around the world](#).

[Circulated all over the world & Google has verified that scholars of more than 6001 Cities in 194 countries/territories are visiting our journal on regular basis.](#)

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

# CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	<b>ROLE OF REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016 IN PROMOTION OF GROWTH OF REAL ESTATE SECTOR</b> <i>Dr. N. VISALAKSHI &amp; Dr. K. KANAKA RAJU</i>	1
2.	<b>CHALLENGES AND PROBLEMS FACED BY WOMEN ENTREPRENEURS IN INDIA – AN ANALYSIS</b> <i>Dr. V. BALACHANDRAN &amp; A. PANJAVARNAM</i>	7
3.	<b>THE CHANGING LANDSCAPE OF MULTILATERAL TRADING SYSTEMS</b> <i>Dr. M B MOHANDAS</i>	11
4.	<b>PRESENTEEISM AND ITS RELATIONSHIP TO LABOR PRODUCTIVITY WITHIN MALIAN FIRM SEGMA</b> <i>Dr. TIEDIAN FANE, Dr. SALIMOU KEITA &amp; Dr. ALIOU BAMAMOU MAIGA</i>	15
5.	<b>HUMAN RESOURCES EXPENSES AND ITS EFFECT ON FINANCIAL PERFORMANCE OF INDIAN CORPORATE GIANTS: AN EMPIRICAL STUDY</b> <i>ARINDAM SAHA</i>	21
6.	<b>IMPACT OF CROSS-BORDER FACTORS ON INDIAN STOCK MARKET – WITH SPECIAL REFERENCE TO EXCHANGE RATE</b> <i>K.NATARAJAN &amp; Dr. L. GANESAMOORTHY</i>	24
7.	<b>IMPACT OF ECONOMIC RECESSION ON THE GROWTH OF SMALL AND MEDIUM SCALE ENTERPRISES IN NIGERIA</b> <i>Dr. JOSEPH EDEWO AGBADUDU &amp; MONEY UDIH</i>	26
8.	<b>IMPACT OF WAREHOUSE SECTOR IN AGRICULTURE DEVELOPMENT - A STUDY IN WARANGAL RURAL AND URBAN DISTRICTS IN TELANGANA STATE</b> <i>Dr. T. SESHIAIAH</i>	30
9.	<b>CUSTOMER SATISFACTION ON SERVICES OF THE AGRANI BANK LTD DISTRICT COUNCIL BRANCH, FARIDPUR</b> <i>MAHBUBA SULTANA &amp; HUMIRA YEASMIN</i>	34
10.	<b>THE IMPACT OF FOREIGN DIRECT INVESTMENT INFLOWS IN BALANCE OF PAYMENT</b> <i>RENJU JOSEPH</i>	52
	<b>REQUEST FOR FEEDBACK &amp; DISCLAIMER</b>	54

**CHIEF PATRON****Prof. (Dr.) K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur  
*(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)*  
 Chancellor, K. R. Mangalam University, Gurgaon  
 Chancellor, Lingaya's University, Faridabad  
 Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi  
 Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

**FOUNDER PATRON****Late Sh. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana  
 Former Vice-President, Dadri Education Society, Charkhi Dadri  
 Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

**CO-ORDINATOR****Dr. BHAVET**

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

**ADVISOR****Prof. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

**EDITOR****Dr. A SAJEEVAN RAO**

Professor & Director, Accurate Institute of Advanced Management, Greater Noida

**FORMER CO-EDITOR****Dr. S. GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

**EDITORIAL ADVISORY BOARD****Dr. TEGUH WIDODO**

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Indonesia

**Dr. M. S. SENAM RAJU**

Professor, School of Management Studies, I.G.N.O.U., New Delhi

**Dr. JOSÉ G. VARGAS-HERNÁNDEZ**

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

**Dr. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**Dr. CHRISTIAN EHIOBUCHÉ**

Professor of Global Business/Management, Larry L Luing School of Business, Berkeley College, USA

**Dr. SIKANDER KUMAR**

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

**Dr. BOYINA RUPINI**

Director, School of ITS, Indira Gandhi National Open University, New Delhi

**Dr. MIKE AMUHAYA IRAVO**

Principal, Jomo Kenyatta University of Agriculture & Tech., Westlands Campus, Nairobi-Kenya

**Dr. SANJIV MITTAL**

Professor &amp; Dean, University School of Management Studies, GGS Indraprastha University, Delhi

**Dr. D. S. CHAUBEY**

Professor &amp; Dean (Research &amp; Studies), Uttaranchal University, Dehradun

**Dr. NEPOMUCENO TIU**

Chief Librarian &amp; Professor, Lyceum of the Philippines University, Laguna, Philippines

**Dr. RAJENDER GUPTA**

Convener, Board of Studies in Economics, University of Jammu, Jammu

**Dr. KAUP MOHAMED**

Dean &amp; Managing Director, London American City College/ICBEST, United Arab Emirates

**Dr. DHANANJOY RAKSHIT**

Dean, Faculty Council of PG Studies in Commerce and Professor &amp; Head, Department of Commerce, Sidho-Kanho-Birsha University, Purulia

**Dr. NAWAB ALI KHAN**

Professor &amp; Dean, Faculty of Commerce, Aligarh Muslim University, Aligarh, U.P.

**Dr. ANA ŠTAMBUK**

Head of Department of Statistics, Faculty of Economics, University of Rijeka, Rijeka, Croatia

**SUNIL KUMAR KARWASRA**

Principal, Aakash College of Education, ChanderKalan, Tohana, Fatehabad

**Dr. SHIB SHANKAR ROY**

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

**Dr. S. P. TIWARI**

Head, Department of Economics &amp; Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

**Dr. SRINIVAS MADISHETTI**

Professor, School of Business, Mzumbe University, Tanzania

**Dr. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engg. &amp; Tech., Amity University, Noida

**Dr. ARAMIDE OLUFEMI KUNLE**

Dean, Department of General Studies, The Polytechnic, Ibadan, Nigeria

**Dr. ANIL CHANDHOK**

Professor, University School of Business, Chandigarh University, Gharuan

**RODRECK CHIRAU**

Associate Professor, Botho University, Francistown, Botswana

**Dr. OKAN VELI ŞAFAKLI**

Professor &amp; Dean, European University of Lefke, Lefke, Cyprus

**PARVEEN KHURANA**

Associate Professor, Mukand Lal National College, Yamuna Nagar

**Dr. KEVIN LOW LOCK TENG**

Associate Professor, Deputy Dean, Universiti Tunku Abdul Rahman, Kampar, Perak, Malaysia

**Dr. BORIS MILOVIC**

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

**SHASHI KHURANA**

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

**Dr. IQBAL THONSE HAWALDAR**

Associate Professor, College of Business Administration, Kingdom University, Bahrain

**Dr. DEEPANJANA VARSHNEY**

Associate Professor, Department of Business Administration, King Abdulaziz University, Saudi Arabia

**Dr. MOHENDER KUMAR GUPTA**

Associate Professor, Government College, Hodal

**Dr. BIEMBA MALITI**

Associate Professor, School of Business, The Copperbelt University, Main Campus, Zambia

**Dr. ALEXANDER MOSESOV**

Associate Professor, Kazakh-British Technical University (KBTU), Almaty, Kazakhstan

**Dr. VIVEK CHAWLA**

Associate Professor, Kurukshetra University, Kurukshetra

**Dr. FERIT ÖLÇER**

Professor &amp; Head of Division of Management &amp; Organization, Department of Business Administration, Faculty of Economics &amp; Business Administration Sciences, Mustafa Kemal University, Turkey

**Dr. ASHOK KUMAR CHAUHAN**

Reader, Department of Economics, Kurukshetra University, Kurukshetra

**Dr. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**YU-BING WANG**

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

**Dr. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**Dr. KIARASH JAHANPOUR**

Research Adviser, Farabi Institute of Higher Education, Mehrshahr, Karaj, Alborz Province, Iran

**Dr. MELAKE TEWOLDE TECLEGHIOGIS**

Faculty, College of Business &amp; Economics, Department of Economics, Asmara, Eritrea

**Dr. SHIVAKUMAR DEENE**

Faculty, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

**Dr. THAMPOE MANAGALESWARAN**

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

**Dr. VIKAS CHOUDHARY**

Faculty, N.I.T. (University), Kurukshetra

**SURAJ GAUDEL**

BBA Program Coordinator, LA GRANDEE International College, Simalchaur - 8, Pokhara, Nepal

**Dr. DILIP KUMAR JHA**

Faculty, Department of Economics, Guru Ghasidas Vishwavidyalaya, Bilaspur

**FORMER TECHNICAL ADVISOR****AMITA****FINANCIAL ADVISORS****DICKEN GOYAL**

Advocate &amp; Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

**LEGAL ADVISORS****JITENDER S. CHAHAL**

Advocate, Punjab &amp; Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate &amp; Consultant, District Courts, Yamunanagar at Jagadhri

**SUPERINTENDENT****SURENDER KUMAR POONIA**

## CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

## GUIDELINES FOR SUBMISSION OF MANUSCRIPT

### 1. **COVERING LETTER FOR SUBMISSION:**

DATED: \_\_\_\_\_

#### **THE EDITOR**

IJRCM

**Subject:** SUBMISSION OF MANUSCRIPT IN THE AREA OF \_\_\_\_\_.

**(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)**

#### **DEAR SIR/MADAM**

Please find my submission of manuscript titled ' \_\_\_\_\_ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

#### **NAME OF CORRESPONDING AUTHOR**

Designation/Post\* :

Institution/College/University with full address & Pin Code :

Residential address with Pin Code :

Mobile Number (s) with country ISD code :

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No) :

Landline Number (s) with country ISD code :

E-mail Address :

Alternate E-mail Address :

Nationality :

\* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc.** The qualification of author is not acceptable for the purpose.

**NOTES:**

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
  - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**  
**New Manuscript for Review in the area of** (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
  - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
  - d) The total size of the file containing the manuscript is expected to be below **1000 KB.**
  - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
  - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
  - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised.**
  3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
  4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
  5. **ABSTRACT:** Abstract should be in **fully italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA. Abbreviations must be mentioned in full.**
  6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
  7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at [www.aea-web.org/econlit/jelCodes.php](http://www.aea-web.org/econlit/jelCodes.php). However, mentioning of JEL Code is not mandatory.
  8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER. It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
  9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
  10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
  11. **MAIN TEXT:**

**THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:****INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
  - Use (ed.) for one editor, and (ed.s) for multiple editors.
  - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
  - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
  - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
  - For titles in a language other than English, provide an English translation in parenthesis.
  - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**

**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

**CONTRIBUTIONS TO BOOKS**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**JOURNAL AND OTHER ARTICLES**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**CONFERENCE PAPERS**

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

**UNPUBLISHED DISSERTATIONS**

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**ONLINE RESOURCES**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**WEBSITES**

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>



## THE CHANGING LANDSCAPE OF MULTILATERAL TRADING SYSTEMS

**Dr. M B MOHANDAS**  
**Sr. MANAGER (EXPORT & COMMERCIAL)**  
**INDIAN FARMERS FERTILISER COOPERATIVE LTD.**  
**NEW DELHI**

### ABSTRACT

*One of the incredible features of post-war (World War II) epoch is many national economies had become more open and foreign trade had expanded at a faster pace than the world output. Economic development in a country at any stage is a function of many factors such as state of technology, skills of the population, political stability, good economic policy etc. International trade among different economies is an important factor in raising living standards, providing better employment opportunities and enabling the large population to enjoy a greater variety and quality of goods. As national economies with strong international trade have become more and more prosperous, it can be one of the major contributors towards poverty alleviation. RTAs and the MTS platform WTO share the common objective of trade liberalization wherein the former is discriminatory the latter is not. Over a time, many WTO Members are gradually embraced different types of RTAs as an effective trade policy tool, as complementary to MFN. By liberalizing trade, countries benefit not only from increased access to technology and consumer goods but also from the chance to find new markets and connect to global value chains.*

### KEYWORDS

RTA, MTS, WTO.

### JEL CODES

F10, F13.

### INTRODUCTION

It is imperative that a well-organized and well managed world monetary system is an essential prerequisite for fostering economic prosperity, growth and also maintaining the financial equilibrium of the world economy. In the post-World War II period, Allied Powers who got an opportunity to revive the war ravaged global economy, instituted IMF and World Bank (the Bretton wood twins) in 1944 in line with a trade -off, an international monetary system with convertible currencies at fixed but adjustable exchange rates along with restricted private cross border capital flows would stimulate a favourable climate for international trade and investment. The currency of the largest economy, US dollar became the key and vehicle currency for a globally accepted means of payment network system, investment and invoicing i.e. the three important functions of money – medium of exchange, store value and unit of account, due its economic size, influence, wide acceptance and commitment to convert dollar into gold at fixed rate. That is to say, that Bretton Woods conserved the shift from commodity to fiat. The dollar remained convertible into gold and other currencies into dollar; more precisely commodity money was entirely off the scene. The world economy was growing rapidly by five percent per annum, which was more than double as fast as between 1870 and 1913. In the absence of IMF not providing an elastic supply of international money (as the quotas for member countries in IMF were limited), the US found itself in a unique position to play the role of world banker, borrowing short and lending long in the international market place and thus influenced the global economy.

The creation of a third institution namely ITO (International Trade Organization) for facilitating and monitoring the cross border flow of goods and services in a less protectionist environment by removing tariffs and other kinds of quantitative restrictions and barriers could not take off as there was no consensus. However, countries engaging themselves about 80% of world trade did reach an agreement, called GATT (General Agreement on Trade and Tariff), which became a Treaty as well as an organization. More than 60 years later, that is 1995, it has evolved into a separate institution namely WTO (World Trade Organisation), coincided with the end of the Cold War, through several rounds of trade negotiations with the principal goal to ensure that trade flows as smoothly, predictably and freely as possible. This was seen in some countries as an opportunity to cash in the “peace dividend” and reduce the burdens of leadership, but some idealists more grandly proclaimed an “end of history” and saw an opportunity to devise a more cooperative world system and even advocated greater reliance on international organizations as deliverers of “global public goods”. Today WTO is an organization towards a free market economy, a strong platform for governments to negotiate trade agreements and as place for settling trade disputes. It also operates a system of trade rules. It again helps developing economies build their trade capacity. In short, WTO is the multilateral based global platform for all individual economies.

### REVIEW OF LITERATURE

One of the incredible features of post-war (World War II) epoch is many national economies had become more open and foreign trade had expanded at a faster pace than the world output. At the same time, many insular and State controlled economies had progressively abandoned their conventional import substituting industrialization model and started advocating and adopting outward oriented development strategy with explicit export orientation. More precisely this involved a clear shift from state controlled public sector dominated economy to private sector centric market led economy. Over the years, the integration of the global economy through the progressive internationalisation of trade coupled with finance has touched at unprecedented levels, exceeding the pre-World War I peak and this new upsurge of globalization is having far-reaching implications for the economic well-being of the entire population sprawled across the continents and among all income groups. World trade has grown five times in real terms since 1980, and its share of world GDP has risen from 36 percent to 55 percent over this period. At the same time, almost all economies have ameliorated human development, the equal life chances for all, over the past few decades, and billions of people are now living in a substantially better level. The 2013 Human Development Report (HDR) revealed that 40 plus emerging market economies where the majority of the global population settled had greater HDI gains.

Another striking aspect was the emergence of three distinct major regional economic groupings namely East Asian, North American and European. Along with this regional grouping, multilateral trade negotiation also took place under the umbrella of GATT, leading to more integration of global economy. When developed economies became the net exporters of capital and technology, emerging economies acted as the recipients. International trade increased at a faster rate than the GDP growth of individual national economies. Rapid growth in foreign trade in goods, services and finance plus the predominance of new technologies and innovative modalities for production as well as marketing via the proliferation of MNCs were the visible features of the globalization process – integration of capital, labour, management and the rapid movement of goods and services with the rest of world.

With gradual deregulation in financial markets, massive private capital flows took place across the continents and as a result, fluctuations in both nominal and real exchange rates became violent. Exchange rate movements were not generally governed by national price level movements but rather by the weight of the capital flows and the consequent intervention policy of the central bank. Macroeconomic stability and the incentives to engage in trade, in short and medium terms, began to revolve around the concerns related to real exchange rate stability. Thus the main condition for successful trade performance of a country began to depend on its greater financial and exchange rate stability. The major key currencies (G3 currencies) started to exhibit short-term volatility and medium term misalignments. With successive capital account liberalization in many countries in a progressive manner, largely propelled by IMF, the number of currency crises also increased. Slowly but steadily the excessive volatility of exchange rates under managed floating eventually gave birth to the fear of floating and the evolving managed floating exchange rate system thus degenerated into a more or less fixed exchange rate framework of the olden times. Under the new scenario, an independent monetary policy and free capital movements became inconsistent with rigid fixed exchange rate. In an environment of managed float and fear of

floating, exchange rates of emerging markets became rigid, but capital flows became massive. This created setback for the monetary management of these countries and also led to huge accumulation of forex reserves.

In today's globalised world, Multilateralism is a diplomatic term that refers to cooperation among several nations. The last US President Barack Obama has made multilateralism as a dominant element of US foreign policy under his administration. Given the global nature of multilateralism, multilateral policies are diplomatically intensive but offer the potential for great payoffs

### OBJECTIVES OF THE STUDY

This Paper tried to synthesise the significance of post war period global trading systems towards Sustainable Development Goals (SDGs), adopted in September, 2015, to certain extent. The two main objectives of this research Paper are:

1. To track and emphasis the role of multilateral trading system to reduce the global trade barriers towards a free trade economy.
2. To identify and pin point the influential role of RTAs / FTAs / PTAs in a multilateral trading system.

### METHODOLOGY

This study is exploratory and broadly qualitative in nature, based on review of mainly WTO, IMF, UNCTAD and other UN agencies' studies engaged with both primary and secondary data, which obtained from their respective web sites.

### SIGNIFICANCE OF THE STUDY

Economic development in a country at any stage is a function of many factors such as state of technology, skills of the population, political stability, good economic policy etc. As it is widely believed, economic development must not be just measured or judged by high growth statistics number registered by the country but, rather taking into account the content of growth i.e. to what extent the economic progress is translated into reducing inequality and poverty and also improving the quality of the life of the poor. It has been also demonstrated that, in economies where gender equality is greater in terms of both opportunities and benefits, there is not only high economic growth rate but also a better quality of life.

International trade among different economies is an important factor in raising living standards, providing better employment opportunities and enabling the large population to enjoy a greater variety and quality of goods. However, International trade can be traced from the earliest civilisations, in recent years it has become to play an increasingly important role with a larger share of GDP devoted to exports and imports. Trade itself has been transformed over the last two decades wherein production chains have become increasingly international, offering new opportunities as well as challenges to countries aiming to participate in global trade flows. Further, overall trade in goods has nearly quadrupled, while WTO members' import tariffs have declined by an average of 15 per cent. Over half of world trade is now tariff-free. As national economies with strong international trade have become more and more prosperous, it can be one of the major contributors towards poverty alleviation. The main domestic influential factors of international trade are geographical, political, resource and technological dependency, fiscal and monetary policies and the choice of exchange rate regime.

### DISCUSSION & FINDINGS

#### THE ECONOMICS OF FREE TRADE

Adam Smith's concepts of division of labour and absolute advantage is the basis of free trade which accounts about three quarters of the rationale for open markets, especially for those countries that have clear natural advantages in the production of certain goods. David Ricardo's concept of comparative advantage offers the rest of that rationale, explaining why even countries that are the best at nothing can still gain by exporting those things in which they are comparatively more productive and importing those things that they produce least efficiently. The concept of comparative advantage underscore the economic logic of multilateral trade reform by dictating that under global free trade, production will be shifted to the most efficient producers. Both increased trade and trade liberalisation can enhance the development prospects of any nation – say many modern economists. Today, trade has been recognized in the UN 2030 development Agenda as well as in the Addis Ababa Agenda for Action as an important means for the implementation of the Sustainable Development Goals (SDGs).

CHART 1



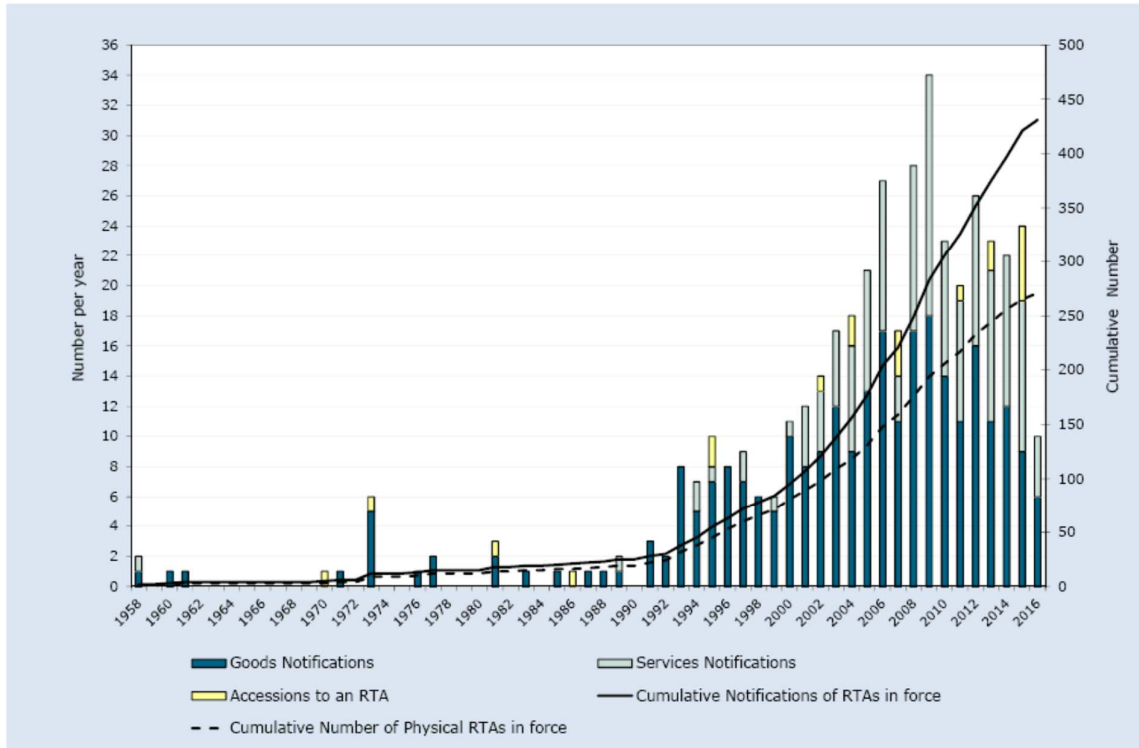
#### HISTORICAL PERSPECTIVE

The Second World War unleashed an opportunity to the Allied Powers to remake the world economy through international organizations, which had been instituted like the structure of national governments. The post-war Multilateral Trading System (MTS), towards GATT – WTO, was emerged from recognising the sovereignty of every nation and its best exercise is to enter into binding agreements with other states voluntary and mutual limits on sovereignty, framing International law, including the forms and norms of diplomacy, protocol, treaties, conferences and eventually the establishment of international organizations. Accordingly, the coexistence of preferential and multilateral (GATT MFN) trade liberalization was viewed as ultimately positive in international trade relations. Thence

prevailing perception was that genuine regional initiatives, promoting extensive trade liberalization among sub-sets of the Members could be congruent with multilaterally-agreed trade liberalization which could contribute to enhance the global trade as well as MTS. Thus, from the infant state of the GATT, Members were allowed to deep their market access through RTAs / FTAs / PTAs, subject to certain number of GATT criteria. The number of preferential agreements as well as the world share of preferential trade has been steadily increasing over the past two decades.

**THE EVOLUTION OF TRAs**

**CHART 2**



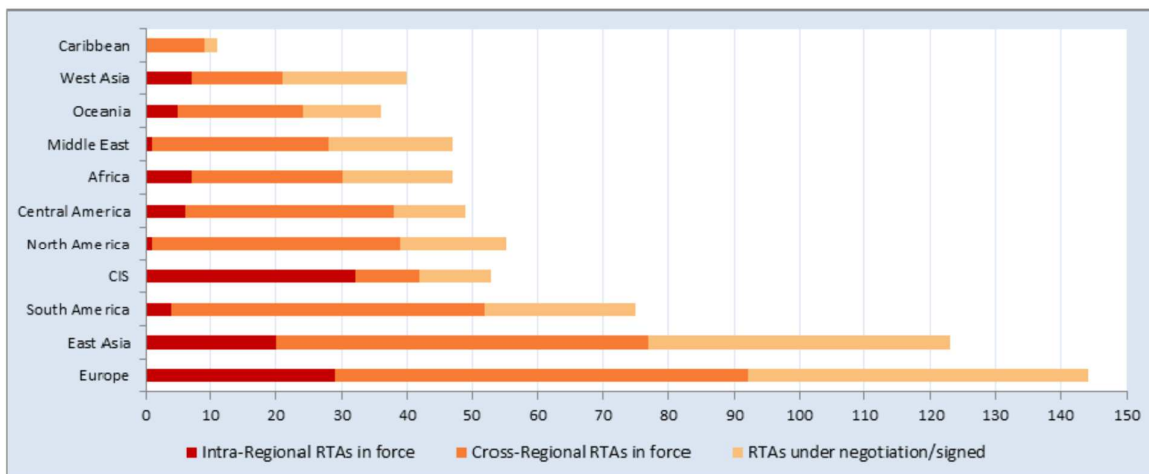
Source: WTO

**LATEST TRENDS**

RTAs and the MTS platform WTO share the common objective of trade liberalization wherein the former is discriminatory the latter is not. Over a time, many WTO Members are gradually embraced different types of RTAs as an effective trade policy tool, as complementary to MFN. RTAs are a major and perhaps irreversible feature of today's MTS. But economic considerations are only one facet of complex RTA strategies being pursued by individual or groups of countries which often include broader foreign policy aims such as political and security considerations. PTAs can reduce policy-imposed barriers to the flow of goods, services, capital, labour, technology etc. The promotion of free trade at a preferential level may help developing economies to implement domestic reforms and open up to competitive market pressures at a sustainable pace, thus facilitating their integration in the world economy. This may also benefit the multilateral process by exerting leverage for openness and competitive liberalization in international trade relations. Yet, the development of complex networks of non-MFN trade relations and of regulatory regimes which increasingly touch upon policy areas uncharted by multilateral trade agreements may place developing countries, in particular, in a weaker position than under the multilateral framework. As for the MTS, such RTA proliferation is already undermining transparency and predictability in international trade relations, which are the pillars of the WTO system. This can ultimately alter the global trade patterns with severe implications for WTO Members through, among others, trade and investment diversion and diminished attention to the multilateral system. Today, global trade barriers are historically low and the 164 WTO members are home to more than 7 billion people and account for nearly 96 per cent of the global economy and 98 per cent of world trade. Trade volumes have increased two-and-a-half times.

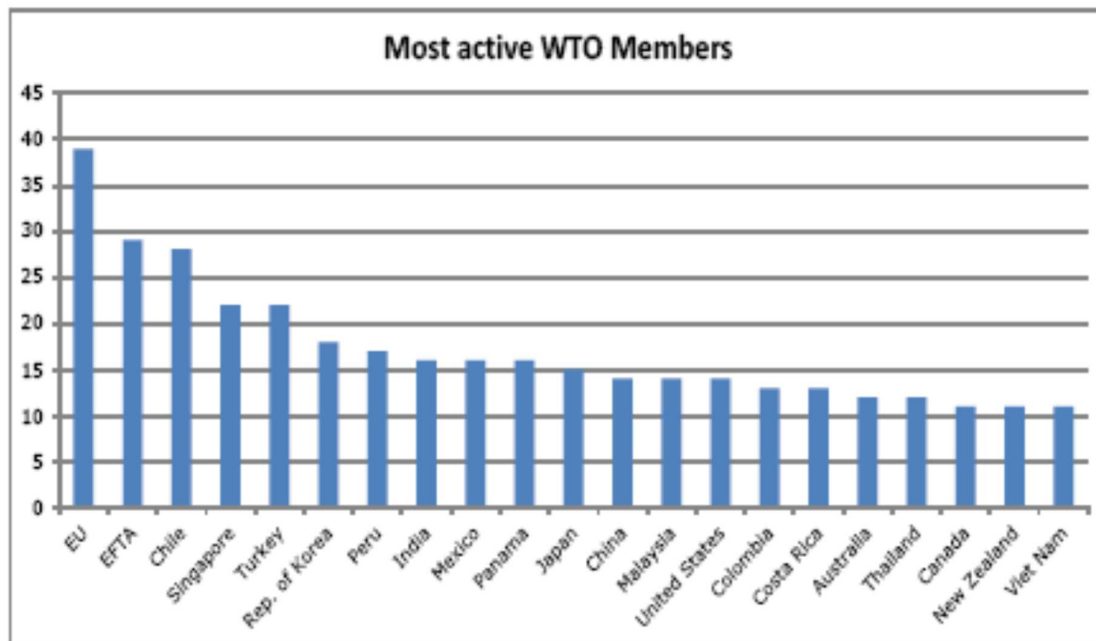
**RTAs IN FORCE, AND UNDER NEGOTIATION BY REGION**

**CHART 3**



Source: WTO

CHART 4



Source: RTA Section, WTO Secretariat.

## CONCLUSION

In today's complex environment of international trade liberalisation, politics and economics operate hand-in-hand. Though RTAs have conventionally been steered towards gradual elimination of all formal trade barriers among participants, they are progressively being used as fora to address wider policy concerns that have emerged over time. With the gradual lowering of formal trade restrictions, in particular in the form of GATT-bound industrial tariffs, and the emergence of international production chains, other barriers have gained in economic importance. Besides, RTAs provide a basis to extend trade disciplines to factor flows - investment, technology and labour. However, it is to be ensured that all types of RTAs / FTAs / PTAs are well crafted and implemented to complement the systemic significance of MTS. It is a widely recognised and accepted fact that trade drives growth and development. By liberalizing trade, countries benefit not only from increased access to technology and consumer goods but also from the chance to find new markets and connect to global value chains. This can quickly translate into GDP growth and a rise in the standard of living.

## REFERENCES

1. 20 years of the WTO, A Retrospective
2. Emanuel Ornelas, World Bank Policy Research Working Paper 5314, May 2010
3. Introduction to WTO basic Principles and Rules, WTO e-learning
4. Multilateralism in international trade WTO achievements and challenges, Briefing May 2017, EU Parliament.
5. Plurilateral Trade Agreements: An escape route for TWO?, Rudolf Adlung & Hamid Mamdough, WTO Working Paper ERSD-2017-03, 25 January 2017
6. Regional Trade Agreements, Caroline, Freund,
7. The history and future of WTO, Craig VanGrasstek, WTO.
8. WTO Annual Report 2016

## REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as, on the journal as a whole, on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

**Co-ordinator**

## DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

## ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

### *Our Other Journals*

