

# How Are Trade Policy Rules Made under the WTO?

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*Abstract*

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Under World Trade Organization (WTO) dispute settlement, consistent trade policy rules are established through precedent. This study examines what kinds of cases become important precedents. We investigate three types of determinants, namely, legal, economic, and political factors. The empirical analysis shows that cases involving many claims of violations of WTO rules, higher-income complainant countries, and the heightened capacity of complainant country retaliation create the critical norm under the WTO. These suggest that the case law on trade policy is not only generated through legal considerations, but also reflected by the strong economic position of the complainant country.

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*Key Words:* World Trade Organization, Trade Disputes, Precedents.

*JEL Classification Numbers:* F13, F14.