



A podcast about the economics of trade & policy  
with Chad P. Bown

## Episode 210. What is America's problem with the WTO?

[Episode webpage](#)

April 9, 2026

Transcript

(lightly edited)



**Chad Bown:** In April, the Trump administration's US Trade Representative, Jamieson Greer, published an op-ed in the *Wall Street Journal*. It was all about the World Trade Organization, and it did not mince words.

The *Journal* piece was subtitled, "The organization has failed, and the U.S. will chart its own course on trade policy."<sup>1</sup>

When Soumaya Keynes and I were working on our book last year, we interviewed policymakers from all over the world. One common thing we heard was this uncertainty about the United States in the trading system. When it came to the WTO, what was the US government really worried about? Why was it concerned? And what did it want to see happen to those rules?

So, I'm really excited to get back into those questions, those ones about America and the WTO, on this week's show.

The book is titled, *How to Win a Trade War*. It will be out in May, but you can pre-order *How to Win a Trade War* today from anywhere that you buy books. And with that, here's the show.

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<sup>1</sup> See Jamieson Greer, "[Another Fish Story From the WTO.](#)" *Wall Street Journal*, April 7, 2026.



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## THE EPISODE

**Chad Bown:** You are listening to an episode of *Trade Talks*, a podcast about the economics of trade and policy. I'm your host, Chad Bown, the Reginald Jones Senior Fellow at the Peterson Institute for International Economics in Washington.

In this episode, we're going to talk about the US government's concerns with the WTO, the Trump administration's actions in Geneva so far, and the failures of the WTO's recent ministerial conference in Cameroon.

To help us make sense of it all, I will be joined by a very special guest.

**Maria Pagán:** Maria Pagán, former US Permanent Representative to the World Trade Organization, and I'm now happily retired.

**Chad Bown:** Maria Pagán was the US Ambassador to the WTO during the Biden administration. She has had an amazing career in the trade world, and I have wanted to have her on the show for a very long time.

Hi, Maria.

**Maria Pagán:** Hi, Chad. It's great to have *Trade Talks* back.

**Chad Bown:** You were US Ambassador to the World Trade Organization in the Biden administration. We'll get into that in a moment.

But first, I want to ask you about your background. And for our listeners, in the US system of government, though ambassadors are typically all political appointees, they also usually fall into one of two categories. They're either people coming into government from the outside, often after a very distinguished career in the private sector, or they're longtime civil servants.

Maria, if you know the Netflix series *The Diplomat*, when it comes to the American style of ambassadors, would you say you're more like the private sector type or more like the Kate Wyler type?

**Maria Pagán:** Definitely the Kate Wyler type. I spent 32 years of my professional career, pretty much my entire professional career in the government, and most of it as a civil servant, except for the last three years as US Ambassador, which was a political position.

I started my career at a great time for trade. I managed to get a job at the US Department of Commerce, Office of Chief Counsel for International Commerce, at a time that was really



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fascinating in trade. NAFTA was just entering into force, the Uruguay Round Agreements were just wrapping up.

I was there for 10 years, and then I moved on to the Office of General Counsel at the Office of the US Trade Representative, where I started as a baby lawyer, doing all the stuff that nobody else wanted to do. And then I ended up being Deputy General Counsel, which was my last position before going to Geneva.

**Chad Bown:** You really were the latter. You're a long-time US government employee. Really, for *Trade Talks* listeners, we would characterize you as a bona fide trade nerd.

**Maria Pagán:** I am a bona fide trade nerd, that is for sure.

**Chad Bown:** In 2022, you are sent to Geneva as the US representative to the WTO.

This followed a relatively contentious previous four years with the first Trump administration, as well as a difficult period of the pandemic. You're the new US ambassador. What was it like being the most hated person in Geneva?

**Maria Pagán:** Well, I tried to be nice to everybody. I am sure that until people got to know me, they probably thought that I had horns and stuff. Who knows?

But I will say that my mandate from Ambassador Tai, who was the one who gave me this wonderful opportunity to end my career as US ambassador, was to make nice and was to go over to the WTO and mend fences – fences that had been broken not just because of what the Trump one administration had done, but the post pandemic period was very difficult for everybody – so, job number one was work with allies. And that was not just my instructions. I think that the State Department folks had the same instructions during the Biden administration – that we need to work with allies.

Of course, job number two, or maybe they should be flipped around, is represent US interests.

But I hope that I did the job well in terms of keeping our concerns alive because the Biden administration shared many of the concerns that the Trump administration had with the WTO, but try to work constructively with others to see how we can move on those issues.

**Chad Bown:** What were some of those concerns that were shared across the two administrations – the first Trump administration and the Biden administration?



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**Maria Pagán:** The concerns about the Appellate Body. In the dispute settlement system, you have a two-level mechanism set up in the WTO where you have panels, and then you had this appeal body that was notionally intended to only look at issues of law, and not necessarily intended to look at every single dispute.

It ended up being that way. The United States over a variety of administrations has had a lot of concerns, particularly when it relates to Appellate Body rulings related to trade remedies - the flexibilities that the United States understood, we had negotiated, not just for us, but for everybody in terms of dealing with unfair trade practices.

The other big issue I would say is, of course, our relationship with China and unfair practices and non-transparent practices by the Chinese. And this is very much related to the dispute settlement issue because we also perceive that, again, through a few disputes the Appellate Body had restricted our ability to use the tools and the agreements that we had negotiated to address those issues through the WTO.

**Chad Bown:** How difficult did you find it showing up in Geneva?

Did you find that your counterparts, when you met them for the first time, might have unrealistic expectations of what the Biden administration was really going to do and what its positions on a lot of these issues were going to be?

I think people really started to pay attention to a lot of these concerns when the Trump administration came along the first time around and really did things differently and brought them to everybody's attention. But the world then maybe thought, oh, when the Biden folks came in, we're just going to go back to the way things were.

How did you address that when you were kind of confronted with that engagement by your counterparts?

**Maria Pagán:** For sure, counterparts in Geneva expected that somehow, we were going to go back to the way things were pre-Trump one. And I think this was part of my message. Some of these concerns are widely shared between Republican and Democratic administrations and also by members of Congress of both parties.

While Trump one may have a particular style of doing things that was different from the Biden administration and from administrations before, the core issues are US issues. They're not Trump issues or Biden issues. They're US issues.



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I guess it's a human reaction to think, oh, well, now, thank goodness, we're going to go back to the way things were. And that was not the case. And that's not going to be the case with whoever comes after this Trump administration.

**Chad Bown:** I think to the Biden administration's credit, choosing you as a long time civil servant that has lived through the trade nerdery of Washington for generations, and this is not to make you seem old by any stretch, hopefully did make it land with everyone just how serious a lot of these issues were from the full United States' perspective, that it really wasn't one political party's issues.

OK, what surprised you most about the job when you got to Geneva?

**Maria Pagán:** I will say that the thing that surprised me most is just an anecdote, but it really impressed upon me what my role was.

Because I had been following issues from Washington, I've been to Geneva many times, litigating or negotiating, I knew many people. But I remember the very first dinner, a "get to know people," though I knew pretty much everybody around the table. I expected it to be, this was going to be shop talk, but I thought it was going to be more just a friendly dinner, but the host did a little presentation and then asked me a question.

When I started speaking, everybody pulled out their little notebooks or, this is a very Geneva thing to do, you always have a formal menu next to your dinner plate, and people flip that and use the back of the menu to write.

And I thought, "Oh my goodness, people are writing what I'm saying!" It crystallized for me that of course, I am here representing the United States. I may know some of these people, we may be friends or we may become friends, but I am here representing the United States, and we are an important player in the WTO and in the world trading system.

What you say matters. I did realize over a period – you have breakfast and lunches and dinners – and if you deviate even a little bit from what you said before, people will notice and you may not think, I'm just using different words, but I'm saying the same message. You really have to stay on message.

**Chad Bown:** It reminds me of one of my experiences recently in government when I was in the State Department and I would show up in countries around the world.



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And I think they did this to try to throw me off, but I would sit across the table either at lunch or in a meeting with my counterpart and they would look at me and say, “Are you Chad Bown from *Trade Talks*?”

And that would completely throw me for a loop, and then I would forget all of my talking points and what our official US government position was, and I would just give them anything they wanted...

## THE TRUMP ADMINISTRATION’S APPROACH TO THE WTO

**Chad Bown:** Let's talk about the current Trump administration and their approach so far to the WTO. How would you characterize it?

**Maria Pagán:** Compared to their approach to other international organizations, I would say that their approach to the WTO is fairly benign. The United States has paid its dues, not all of them, has a very capable ambassador, and has been engaging in the WTO. Now it has continued to criticize things that the WTO is not doing right, or things that it's doing that it shouldn't be doing.

I try not to be too negative. I know sometimes the rhetoric tends to be harsher than it needs to be, in my view.

But on the other hand, I will say that the United States has been complaining about some of these issues for many, many years.

For example, the Appellate Body. People complain, well, you broke the system, you block appointments to the Appellate Body. So now it's not working. But the problem was that for many years, the United States was pointing out concerns about the Appellate Body and the dispute settlement mechanism, and nothing happened.

But I did have one time a diplomat from an unnamed member, and this person came up to me afterwards and said I understand why you guys did what you did, because it's the only way of getting people's attention here is to do something drastic.

I think that it's good that we're still engaged. If you had asked me January of last year before inauguration, what were the chances that one of the first things President Trump would do was to instruct USTR to withdraw the United States from the WTO, it wouldn't have surprised me. I



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would have said the chances were pretty high, and that didn't happen. So I think that's good, and I hope that we stay engaged like the United States has been.

**Chad Bown:** I, too, have found that interesting. From an outsider's perspective, it does seem as though the administration is more engaged in Geneva with the Secretariat than I might have anticipated.

But I guess there's another part of this as well, which is not only your engagement in Geneva, but how you're operating under the "rules" of the international system. I think that is a slightly different story with what we've seen in terms of tariffs over the last year.

Is what they did on that front surprising to you?

**Maria Pagán:** Not entirely surprising, though I think the scope of it is more than I expected. Again, I hope that people try to focus on the underlying reasons why the United States feels that the system hasn't delivered for us.

But I think that the extreme tariffs on tiny little countries that are never going to have balanced trade with the United States, because you're the economist, not me, it's impossible for Lesotho to have balanced trade with the United States, because they're tiny and we're humongous.

And I view some of these actions not just from a trade space, even though I'm a trade nerd, but also from a domestic legal perspective, that it's pushing the envelope and using this tool of tariffs to do a whole host of things that tariffs were not necessarily meant to address. There are tariffs that are okay to have, but you can't solve every problem that we have, that the United States has vis-a-vis everybody else, but also that we have that can only be fixed domestically, we can't address everything through this one little tool.

And I am very glad that the Supreme Court did the right thing and didn't try to slice the baby, or whatever metaphor you want to use, and said this is a fundamental issue.

It's a separation of powers issue.

## **US SUBMISSIONS ON WTO REFORM**

**Chad Bown:** You mentioned underlying concerns of the United States and this Trump administration.



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In December of 2025 and in just this past March, the administration circulated two submissions on WTO reform to the rest of the membership. As you read those documents, what stood out to you?

**Maria Pagán:** One, I'm happy that they were issued, particularly the second one, but just generally that they are engaging. I think the submission in December was an attempt of laying out in writing so that people can see it and everybody can see it, here are our concerns.

In the second document, which was issued just right before the ministerial, they went a step further. And I think it is great because they laid out with a number of these issues, the way forward or proposed way forward, and here's how we can start a conversation about these issues.

There are things that people hate about those papers, in particular, the call for a rethinking on the Most-Favored-Nation principle. Everybody calls it the bedrock, the foundational principle of the multilateral trading system.

Yes, it is important. But there are other important principles that the United States believes in, like transparency, and also this issue of fairness and balance, and the balance of rights and obligations, from the whole package of agreements that we agreed back in 1995.

And so, you can't just put this one thing, this MFN, [saying] you can't touch it, when clearly there are some imbalances in the system and concerns. A they're not just concerns from the United States.

**Chad Bown:** When I read over the March and December submissions, the thing that really struck me is how different they were from the complaints of the first Trump administration, many of which, as you said, were shared by the Biden administration, which focused on the Appellate Body and overreach and excessively disciplining use of trade remedies, like anti-dumping and countervailing duties and safeguards, things of that nature.

This time around, the concerns in the areas that the administration wants to talk about for reform are bigger issues.

They mentioned overcapacity and the overconcentration of production. That stick out to me because that's something that I think was a very, very big issue that Biden folks were worried about as well.

MFN, which while a principle and bedrock of the system, when you start to think about ways to tackle concerns about overconcentration of production in one place, it's hard to come up with



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policies to move supply chains out of somewhere where they're stuck and concentrated – and here, the underlying concern is typically China – unless you're somehow either violating MFN, having some sort of discriminatory tariff, or you're using some kind of subsidy, which the WTO rules also typically don't like either.

They also mentioned imbalances, which I think are a longstanding concern in international economic policy, not just for the WTO, but we've seen the IMF be very worried about that this year as well.

And essential security. I.e., governments having the space to be able to implement policies that are in their security interests in this new world of geopolitics and geo-economics.

I was fascinated to see those particular issues thrown out there by the administration as something they want the WTO and its membership to engage on. And I thought that voicing those was potentially, of course, constructive.

Now we'll see where it goes, but what's your reaction to that?

**Maria Pagán:** I guess maybe because I was on the inside for so many years, a lot of these issues were issues that we had been talking about for a long time.

Essential security has been an issue for the United States forever. We've had a very particular vision of the essential security exception and essential security in the trade space. Thankfully, we hadn't had to have conversations about it because everybody had exercise restraint. Finally we got to a point where that ship sailed (to put it in technical terms). But those are issues that are very important.

All these issues that you've mentioned, I think they all revolve around the same thing and the same concept of something has gotten out of balance.

And one of the issues, of course, we can't avoid talking about it, is the China issue. Overcapacity – it's not just China – but the main concern is with respect to China. The pandemic highlighted those issues, as well of overconcentration and over reliance on certain supply chains.

And the focus of MFN – I've had many conversations in the last month or so on this issue with people just with their hair on fire – how dare the United States say that we need to rethink MFN.

I don't know whether this is exactly where the administration is coming from. It's not necessarily that we need to redo the discipline. It's just that you cannot address a lot of these



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issues if you are then requiring that I treat everybody the same way. Because I'm not trying to discriminate just to discriminate. I'm trying to differentiate, and I need to differentiate depending on the goals that I'm trying to achieve domestically.

And also, I'm trying to differentiate between those that I think have played by the rules, so that I am maintaining the bargain that I understood I had with them when I entered into this agreement, and those that I believe have not played by the rules because they've been non-transparent, they've had practices that I cannot address with the disciplines, and therefore, the bargain that I thought I had is no longer there.

Maybe it was there at the beginning, but it is no longer there.

Because, again, if you just take the example of China, and this is not an I'm against China thing. It says they have moved up the chain from where they were 25 years ago. Now they're in a very different place. But the benefits that we thought we were going to get from our entering into that relationship hasn't really panned out the way we thought.

Again, one of the most fundamental principles on which all these rules are based is open, market-based economies.

Well, if some players, and one big player, hasn't moved down that road as they were expected to, then there is an imbalance and something has to be done.

**Chad Bown:** On MFN, I think it is important to point out that within the rules-based system, there are lots of exceptions. Free trade agreements or customs unions under Article XXIV, are violations of MFN, but the WTO allows them.

Trade remedies – anti-dumping, anti-subsidy / countervailing duties – are discriminatory. They violate MFN, but there are exceptions built in.

While I am a huge fan of MFN as a general principle and as a negotiating tool, and it helps to simplify things a lot, maybe the answer here is for just some more exceptions to address some of the fundamental underlying concerns that members are increasingly noticing.

**Maria Pagán:** I completely agree.

When we talk about the multilateral trading system, we all think that we know what we're talking about, but I think we all have different conceptions of it.



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And the way I've been thinking about this is that there's been an over-emphasis on the rules, that you can do this, you cannot do this, and less emphasis on the flexibilities that are there - there's tons of flexibilities that were built into the system, but those flexibilities got shriveled away a little bit, some of it by dispute settlement, some of it by other reasons.

Maybe it's not about reforming MFN – it's a wonderful principle – but it's about recognizing that there are other needs that sovereign nations have. Again, it's just about finding the balance between the rules and the flexibilities.

### **INSIDE A WTO MINISTERIAL**

**Chad Bown:** Maria, you mentioned the ministerial. Let's turn next to MC14, or the WTO's most recent ministerial conference in Cameroon. You've been to these, set the stage for us.

What are they like? Just how glamorous is a WTO ministerial?

**Maria Pagán:** Not glamorous at all. It's interesting because ministerial conference is both a thing and an event. It's just the collection of the trade ministers of all the members and again, the highest-level decision-making body.

But it's also an event. They're supposed to meet every two years, and so we call those ministerial conferences, as an event.

There's a lot of frenetic work that goes into preparing for a ministerial conference because if you're going to fly your minister around the globe for this conference, well, they've got to do important things.

I'm not sure that it's all very useful frenetic work. I don't like drama, and I do not like all-nighters. I am way too old for that. That's for college years, not for adult years. I've done plenty in my career at USTR.

When you get ministers, they're there to do the WTO agenda, but they're also there to do their own agenda, right? And so there's frenetic, "Oh, does your minister have five minutes to meet with my minister on this other issue that has nothing to do with the WTO?"

**Chad Bown:** Not all red carpets as we trade nerds had thought it was going to be.

Okay, well, let's talk about this year's ministerial and what the agenda for this thing was heading into it.



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What did the ministers, and the director general and the WTO write large, what did they hope to accomplish in Cameroon?

**Maria Pagán:** There were roughly three or four items on the agenda, depending on how you count.

The first item was this was supposed to be the reform ministerial. We've been talking about reform in the WTO for many years. The hope was that ministers would agree to a road map or a work plan on reform.

The second item was incorporation of the Investment Facilitation for Development Agreement into the WTO rulebook. Now, this agreement is a plurilateral initiative, so not all the members participate, but a lot of members participate. It is, in essence, a transparency agreement, and this agreement was concluded, I think, about two and a half years ago, because we had this conversation at MC13, and we're still having the conversation. The main issue there is that there are some members of the WTO who don't believe that there should be plurilateral agreements in the WTO rulebook, and so they have been blocking the incorporation here.

The third – and fourth items, because these two things are related – is what we call the e-commerce moratorium. This is a moratorium on the imposition of customs duties on electronic transmissions. There's a debate as to what electronic transmissions is, but it's basically podcasts can be an electronic transmission, downloading a podcast, streaming, e-books, anything that crosses the electronic border.

For 28 years, every two years, members have agreed on, we will not impose customs duties on these things.

Now, tied to this e-commerce moratorium, there's another moratorium that in substance has nothing to do with the e-commerce moratorium, but they've become tied because the proponents and opponents of these two things were mirror images of each other, in a way.

At the beginning, 28 years ago, it's like, okay, if you agree to my moratorium, I'll agree to your moratorium.

**Chad Bown:** For 28 years, what I heard is there's no tariffs on *Trade Talks*. Now we're at MC14. We've got this agenda. That's one of the items that should be rubber stamped and continued. We've got these other agenda items as well.

What happens?



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**Maria Pagán:** Well, what happened was nothing happened on any of these issues.

**Chad Bown:** Stepping back from all of this, and the fact that nothing was actually delivered in terms of these agreements at the ministerial, how big a deal is it?

Does that mean that the WTO is going to collapse tomorrow and we're just going to be left without a multilateral system?

**Maria Pagán:** Maybe I'm an outlier on this. It's fine.

One thing is that the WTO is just the collection of the members. And we forget this because it's easy to say, "The WTO this and the WTO that." The WTO itself has no agency. It's really the membership.

Maybe that's understood, but I think that we have to remind ourselves that it's the fault of the members collectively, not being able to agree on things. Again, we're in a pretty messed up world right now, so that's really no surprise.

The WTO does a lot of good work and that will continue. I'm sure people are recovering from the ministerial circus, but they'll be back and they will continue all these conversations. They are difficult because these are difficult issues.

I don't view it as a failure in the sense of the Marrakesh Agreement requires that ministers meet in ministerial conference every two years.

They met, they did what they were supposed to do, and we move on.

## **WHAT'S NEXT FOR THE WTO?**

**Chad Bown:** This is my last serious question. Looking ahead, what do you think is the path forward for the World Trade Organization? What would you see as the most productive role that it would play over the next few years?

**Maria Pagán:** There's a lot of good work that gets done day in and day out in the WTO, in the committees. In particular, the committees that deal with technical barriers and phytosanitary barriers for food.

There's transparency. Members notify measures that they're implementing, and members comment on them, and they put them out for comment by their stakeholders.



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Generally speaking, one of the things that I think the WTO should focus on, always, but particularly at this moment in time, when there's so much upheaval, is transparency.

For the people who trade, the people who move stuff around, they need transparency. They need to know what's happening in member countries.

If we focus on those things and we work together on those things, then maybe we can figure out how to work together on the other more difficult issues.

I will say, again, it's easy for a lot of countries to say, "Well, the United States, you broke the system and why should I deal with you?"

I honestly believe that the US delegation that's there, they want to work with members. They want to engage. They are going to say because we're the United States and we don't mince words, we're going to say what we like and what we don't like. There's nothing wrong with that.

That's just the way we are. And that's the way we approach things.

**Chad Bown:** Maybe the way to characterize the United States is we just believe in extreme transparency. We can't help but speak our mind when it comes to a lot of these issues.

## **RAPID FIRE**

**Chad Bown:** Let's do something fun. Rapid fire question, answer.

Going back to your time as the ambassador there, were there any delegations that were tricky to work with in Geneva?

**Maria Pagán:** Aside from the United States? I will say, and I enjoyed working with the EU ambassador, and then you have the member states. And if you talk to the EU, which of course is the representative for all the member states, and then you talk to the member states, sometimes you get different stories.

But I enjoyed all those conversations, and it just gave me a better flavor for the coordination that they have to do to come out with a position, and it was quite amazing, but they were all lovely to work with.

**Chad Bown:** It's sort of like if you're one of these countries talking to USTR and then talking to the State Department. And that's why they don't let the State Department talk about trade.



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Fondue or raclette?

**Maria Pagán:** I like fondue, but I have to say you can only have fondue so many times. I like cheese. I love cheese, but sometimes you walk into these restaurants and you're overpowered by the smell the liquor and the cheese is like, whoa, can I sit outside? But not if it's freezing.

**Chad Bown:** One of the special parts about Geneva.

Last one: Having now come back to the United States, when you're a pedestrian at a crosswalk and there's no car coming for miles, do you remain Swiss and not cross the street, or do you break the rules and just go for it?

**Maria Pagán:** I go for it. But I make sure that I look at both sides first.

**Chad Bown:** Maria, thank you very much.

**Maria Pagán:** Thank you. It's been wonderful and it's great to have *Trade Talks* back.

## GOODBYE FOR NOW

**Chad Bown:** And that is all for *Trade Talks*.

A huge thanks to Maria Pagán, a longtime bona fide trade nerd and former US ambassador to the World Trade Organization.

A big thanks as well to Isabel Robertson, our audio producer. Thanks to Melina Kolb, our supervising producer. And thanks to Sam Elbouez and Sarah Allen on Digital.

Please subscribe to *Trade Talks* on Apple Podcasts, on Spotify, or wherever you get your podcasts. Even if you are a long-time listener, please take two minutes to leave a review. That is how new listeners will find the show.

Thanks again if you have already pre-ordered a copy of my new book titled *How to Win a Trade War*. If you haven't yet, here's one way that you can do so:

Bookshop.org has offered 15% off the book from now until the end of May, just use the promo code HTWATW15. HTWATW is "How to Win a Trade War," 15 is "15%." I'll put all this information in the show notes.

See you next week, everybody.