CONTENTS

	Acknowledgments	xìi
	Contributors	X۱
	Abbreviations	xvi
	Introduction and Overview Simon J. Evenett and Bernard M. Hoekman	xx
Part I	POLITICAL ECONOMY OF MARKET ACCESS	1
1	Reforming Agricultural Policies in the Doha Round Patrick A. Messerlin	3
2	The Structure of Lobbying and Protection in U.S. Agriculture Kishore Gawande	41
3	Formula Approaches to Liberalizing Trade in Goods: Efficiency and Market Access Considerations Joseph Francois, Will Martin, and Vlad Manole	89
4	Reform of Services Policy and Commitments in Trade Agreements: An Analysis of Transition Economies Felix Eschenbach	117
Part II	DEVELOPMENT AND THE TRADE REGIME	145
5	Special and Differential Treatment in the WTO: Why, When, and How? Alexander Keck and Patrick Low	147
6	Unilateral Preference Programs: The Evidence Çaglar Özden and Eric Reinhardt	189

7	Mainstreaming Economic Development in the Trading System Faizel Ismail	213
8	"Aid for Trade": A Proposal for Increasing Support for Trade Adjustment and Integration Susan Prowse	229
` Part III	RULES AND ENFORCEMENT	269
9	Trade Facilitation and the WTO Krista Lucenti	271
10	Investment Incentives and Multilateral Disciplines BVR Subrahmanyam	301
11	Economic Perspectives on a Multilateral Agreement on Open Access to Basic Science and Technology John H. Barton and Keith E. Maskus	349
12	Monitoring Implementation: Japan and the WTO Agreement on Government Procurement Simon J. Evenett and Anirudh Shingal	369
13	The Case for Tradable Remedies in WTO Dispute Settlement Kyle Bagwell, Petros C. Mavroidis, and Robert W. Staiger	395
Part IV	ISSUE LINKAGES	415
14	Do We Need an Undertaker for the Single Undertaking? Considering the Angles of Variable Geometry Philip I. Levy	417
15	International Cooperation on Domestic Policies: Lessons from the WTO Competition Policy Debate Bernard M. Hoekman and Kamal Saggi	439
INDEX		461
Figure	s ·	
2.1	The Political Market for Government Assistance to Agriculture	43
2.2	Agriculture PAC Spending, 1991–92 and 1999–2000	54
2.3	Election Cycles PAC Contributions by Agriculture-Related Sector, 1992–2000	55
2.4	Total Agricultural PAC Contributions to House and Senate	
	Candidates, by Party, 1991–2000	58
2.5	Top 20 House Recipients of Agricultural PAC Contributions,	59

2.6	Top 20 House Recipients of Agricultural PAC Contributions,	
	1993–94 Election Cycle	60
2.7	Top 20 House Recipients of Agricultural PAC Contributions, 1995–96 Election Cycle	61
2.8	Top 20 House Recipients of Agricultural PAC Contributions, 1997–98 Election Cycle	62
2,9	Top 20 House Recipients of Agricultural PAC Contributions, 1990–2000 Election Cycle	63
2.10	Contributions from Agricultural PACs and Ratio of Agricultural PAC Contributions to Total PAC Receipts among Top 20 House Recipients, 1991–92	64
2.11	Contributions from Agricultural PACs and Ratio of Agricultural PAC Contributions to Total PAC Receipts among Top 20 House Recipients, 1999–2000	65
2.12	Top 20 Senate Recipients of Agriculture PAC Contributions, 1991–92 Election Cycle	66
2.13	Top 20 Senate Recipients of Agriculture PAC Contributions, 1993–94 Election Cycle	67
2.14	Top 20 Senate Recipients of Agriculture PAC Contributions, 1995–96 Election Cycle	68
2.15	Top 20 Senate Recipients of Agriculture PAC Contributions, 1997–98 Election Cycle	69
2.16	Top 20 Senate Recipients of Agriculture PAC Contributions, 1999–2000 Election Cycle	70
2.17	Agriculture PAC Contributions as a Percentage of Total PAC Receipts among Top 20 Senate Agriculture PAC Recipients, 1991–92	71
2.18,	Agriculture PAC Contributions as a Percentage of Total PAC Receipts among Top 20 Senate Agriculture PAC Recipients, 1999–2000	71
3.1	Impacts of a Proportional and a Swiss Formula for Tariff Cutting	96
3.2	Flexibility and Swiss Formula-Based Tariff Reductions	98
3.3	Binding Overhang in Industry	106
3.4	Implications of Alternative Tariff-Cutting Rules for EU Tariffs	100
7. 1	Facing Low-Income Developing Countries	111
3.5	Implications of Alternative Tariff-Cutting Rules for U.S. Tariffs	111
	Facing Low-Income Developing Countries	112
4.1	Changes in the Share of Services in GDP and Employment	120
4.2	Services Reform Index, 2004	123
1.3	Infrastructure Reform, by Country and Sector, 2004	127
4.4	Time Path of Service Sector Reform	133
1.5	Time Path of Service Sector Reform by Country, 1990–2004	134

Contents

vii

viii Contents

4A.1	Allocation of Commitments across 155 GATS Sectors in	
	the Czech Republic, Hungary, Poland, and the Slovak Republic	141
4A.2	Allocation of Commitments across 155 GATS Sectors in	
	Estonia, Latvia, Lithuania, and Slovenia	142
4A.3	Allocation of Commitments across 155 GATS Sectors in	
	Bulgaria, Croatia, FYR Macedonia, and Romania	143
4A.4	Allocation of Commitments across 155 GATS Sectors in	
	Armenia, Georgia, the Kyrgyz Republic, and Moldova	144
6.1	GSP Imports in the U.S. Market, by Country, 2001	200
6.2	Share of LDCs in Total Imports of the European Union and	
	United States, 1986-2002	202
6.3	Export Performance of Countries Dropped from and	
	Remaining Eligible for U.S. GSP	202
6.4	Characteristics of Countries Retained and Dropped	
	from U.S. GSP	204
6.5	Increases in Exports for Countries Eligible for and Dropped	
	from GSP	205
6.6	Performance Indicators for Countries Eligible for and	
	Dropped from GSP	206
6.7	U.S. Imports, by Exporting Country, 1989–2001	208
8.1	Transferring Part of Current Tariff Revenue	247
8.2	Current Status of Integrated Framework	253
8.3	Aid for Trade: A Possible Model	260
8.4	Increased Aid for Trade	261
10.1	Use of Investment Incentives, All Countries	322
10.2	Use of Investment Incentives, Developed Countries	323
10.3	Use of Investment Incentives, East and Southeast Asia	324
10.4	Use of Investment Incentives, South Asia	325
10.5	Use of Investment Incentives, Middle East and North Africa	326
10.6	Use of Investment Incentives, Sub-Saharan Africa	327
10.7	Use of Investment Incentives, Latin America	328
10.8	Use of Investment Incentives, Small Island Economies	329
10.9	Use of Investment Incentives, Transition Economies	330
12.1	Proportion of Reported Japanese Procurement of Goods	
	and Services above GPA Threshold, 1997-99	380
12.2	Changes in Foreign Sourcing between 1990-91 and 1998-99	388
12.3	Changes in Unimpeded Procurement between 1990-91	
	and 1998-99	389

Tables		
1.1	Total Support, Value-Added and Labor in Agriculture, and Food	
	in Total Consumer Expenses, Selected Countries and Years	8
1.2	Assistance to Agriculture Since the Uruguay Round,	
	Selected Countries	10
1.3	Support in EC/U.S. Agriculture: Motives and Instruments	18
1.4	Selected Farm Products by Increasing Level of Protection for	
	Farmers, Selected Countries	20
1.5	Evolution of the Breakdown of Total Support in Agriculture,	
	Selected Countries and Years	22
1.6	Evolution of the PSE Breakdown by Type of Subsidies and of	
	Global Efficiency Transfer, Selected Countries and Years	24
1.7	Concentration of Support on Large Farms in the U.S. and	
	in the EC	32
2.1	Four-PAC Concentration Ratio, 1991–2000	56
2.2	Herfindahl Index, 1991–2000	56
2.3	Agricultural Trade Protection Regressions—NTM I	74
2.4	Agricultural Trade Protection Regressions—NTM II	76
2.5	Agricultural Trade Protection Regressions—Specific Tariffs	78
2.6	Determinants of Agricultural Tariffs (Including Specific Tariffs)	
	on Products with Export Subsidies	80
2.7	Determinants of Agricultural Tariffs (Including Specific Tariffs)	00
	on Products with Export Subsidies	80
3.1	Industrial Tariff Rates and Bindings Post-Uruguay Round and	00
	International Technology Agreement	91
3.2	Effects of Basic Swiss Formula Reductions (Applied Tariffs	71
	Before and After a 50 Percent Cut in Average Tariff Bindings)	92
3.3	Large Differences between Average Cuts in the Tariff and Cuts	72
	in the Average Tariff	99
3.4	Effects of a 50 Percent Reduction in Average Bound Rates in	
	the European Union, Japan, and the United States	102
3.5	Effects of a 50 Percent Reduction in Average Bound Rates in	
	Brazil, India, and Thailand	104
3.6	Welfare Implications of a 50 Percent Reduction in	101
	Bound Tariffs under Different Degrees of Flexibility	106
4.1	Sectoral Share of Total Export Revenue in Selected Transition	100
	Economies, 2001 (percent)	121
4.2	Total Export-Related Activity (Direct and Indirect Linkages)	121
	in Selected Transition and Comparator Economies, 2001	122
4.3	Stock of Inward Foreign Direct Investment, by Sector and	122
	Country, 2003 (percent)	124
4.4	Indexes and Rankings of Countries Based on Average Share	
_	of "Free" Sectors	130
		100

x Contents

4.5	Openness Rankings of Country Groups, in Theory and	
	in Practice	133
4A.1	Classification of GATS Commitments	140
5A.1	A Comparison of Two Approaches	186
6.1	Key Products without GSP Preferences in the European Union	
	and the United States, 2001	198
6.2	Preference Use by GSP Recipients in the U.S. Market, 2001	200
8.1	Estimated Decrease in Average Export Unit Values Following a	
	40 Percent Cut in Preference Margins as a Result of Multilateral	
	Tariff Reduction	231
8.2	Comparative Static Estimates of Economic Welfare Gains from	
	100 Percent and a 50 Percent Global Liberalization of Trade	
	in Goods and Services	238
8.3	Costs and Benefits of Liberalizing Subsidies and Trade Barriers,	
	2002	240
8.4	Total Import Duties for Selected OECD Countries	248
8.5	Change in Real Consumer Prices from Full Liberalization of	
	Trade in Goods	250
8.6	Price Premiums in the EU Agricultural Sector	251
9.1	Trade Facilitation Programs Sponsored by Selected	
	International Organizations	276
9.2	Interests of Selected International Organizations in	
	Trade Facilitation	277
9.3	Principles and Concepts Central to Trade Facilitation in	
	Regional Trading Agreements	278
9A.1	Estimated Costs and Benefits of Trade	294
9A.2	WTO Dispute Cases Related to Trade Facilitation	298
10.1	Fiscal, Financial, and Other Incentives Used to	
	Attract Investment	304
10.2	Countries and Economies Included in the Database	308
10.3	Use of Fiscal Investment Incentives, by Region	310
10.4	Use of Financial Investment Incentives, by Region	314
10.5	Use of Other Investment Incentives	316
10.6	Most Frequently Used Investment Incentives, by Region	318
10.7	Top Three Fiscal, Financial, and Other Investment Incentives	
	Used, by Region	320
10.8	Selected Features of National Investment Incentive Packages	332
10.9	Hierarchy of Rules for Determining whether Incentives	
	Constitute a Substely under ASCM	335
12.1	Value of Reported Contracts Awarded by Japanese Government,	45
	1997–99	374
12.2	Reported Procurement by 10 Largest Japanese Government	^-
	December Entities 1992 and 1999	378

12.3	Proportion of Reported Japanese Procurement That Is Both	
	above GPA Thresholds and Not Subject to Limited Tendering,	
	1998 and 1999	379
12.4	Foreign Sourcing of Services and Goods in Japan, 1998-99	381
12.5	Foreign Contracts for Goods Awarded by Japanese Procuring	
	Entities, 1990-91 and 1998-99	384
12.6	Above-Threshold Goods Procurement by Japanese Entities,	
	1990-91 and 1998-99	386
12.7	Estimated Loss of Foreign Access to Japanese Government	
	Procurement Market, 1998-99	390
12A.1	Statistical Submissions Made to the Committee on Government	
	Procurement, 1985–2000	393
13.1	Classification of Disputes before the WTO	400
Boxes		
4.1	The European Bank for Reconstruction and Development's	
	Services Reform Index	126
8.1	Proposals for Stand-Alone Trade Facilities	255
8.2	A Comparison between the Integrated Framework and the	
	Global Environment Facility	261

Contents