

INDICE

Foreword	vii
Acknowledgments	ix
Overview	xi
Abbreviations	xix
Frequently Cited Regional Trading Agreements and the Parties to Them	xxiii
Chapter 1 Global Outlook and the Developing Countries	1
The Global Economy: From Recovery to Expansion	3
Commodity Markets	6
World Trade	8
International Finance	10
Risks and Policy Ppriorities	12
Long-Term Growth, Structural Change, and Poverty	14
Structural Changes over Two Decades	16
Structural Change in the Future	19
Poverty Forecast	21
Concluding Remarks	23
Notes	23
References	25
Chapter 2 Regional Trade and Preferential Trading Agreements: A Global Perspective	27
The Proliferation of Regional Preference Systems	28
Trends in Trade and Growth by Region	42
Changing Export Composition and the Rise of Global Production Networks	46
Preferential Trade and Regional Outcomes	49
Conclusion	53
Notes	53
References	54
Chapter 3 Regional Trade Agreements: Effects on Trade	57
The Impact of RTAs on Merchandise Trade and Incomes	57
I Ingredients of Success	66
Conclusions: Preferential Trade Agreements and Economic Development	72
Notes	74
References	74
Chapter 4 Beyond Trade Policy Barriers: Lowering Trade Costs Together	77
The Costs of Trade	78
Regional Agreements to Facilitate Trade and Transport	79
Standards, Conformity Assessments, and RTAs	85
Trade-Related Regional Cooperation Agreements	91
Conclusions	92
Notes	93

References	94
Chapter 5 Beyond Merchandise Trade: Services, Investment, Intellectual Property, and Labor Mobility	97
Services, Investment, and IPRs in Regional Agreements	
Economic Consequences of Services, Investment, and IPR Provisions in RTAs	104
RTAs and Provisions for Movement of Labor	111
Conclusions: Beyond Merchandise Trade	117
Notes	119
References	121
	125
Chapter 6 Making Regionalism Complementary to Multilateralism	
Preferential Agreements within the Global Context	126
Building Blocks versus Stumbling Blocks	133
The Competitive Liberalization Game: The Case of Doha	136
Multilateral Disciplines on Regional Arrangements	140
Making open Regionalism Work for Development	144
Notes	148
References	150
Figures	
1.1 A record year for developing countries in 2004	4
1.2 Strong growth across most regions	8
	6
1.3 Tradable price developments	
	7
1.4 Terms of trade impacts from higher commodity prices, 2001-04	
1.5 The oil-important burden for selected countries	7
1.6 Crude oil prices, 1960-2004	8
	8
1.7; World trade rebounds	
1.8 Export performance, percent change in market share since 2000	9
1.9 Trade balances in major regions.	10
1.10 Developing countries' debt and interest payments easing downward since 199')	10
1.11 Rising U.S. dollar reserves	11
1.12 Impact of a 200 basis point increase in interest rates	12
1.13 First year impacts of a \$10 increase in oil prices	14
1.14 A rise in services	17
1.15 Rising openness to trade	18
1.16 Increased urbanization	19
1.17 Growth rate of labor supply declining	19
2.1 Number of RTAs exploded in the 1990s	29

2.2 Spaghetti and rigatoni: Multiple, overlapping RTAs, 2004	39
2.3 Trade within RTAs	41
2.4 Trade performance has differed across regions	43
2.5 Composition of trade has changed	47
2.6 Evolving trading blocs	50
3.1 Evolution of the share of intra-regional imports in total imports, 1960-2000	58
3.2 The ratio of external and intra-regional trade to GDP	59
3.3 Intra-regional trade grows faster when world trade growth is positive	60
3.4 Simulated welfare impact of various FTAs involving Chile	62
3.5 RTAs that divert imports tend to export less to global markets	64
3.6 Not all regions are open	66
3.7 Preferential tariffs in tandem with all tariffs in Latin America	68
3.8 Rules of origin in North-South agreements are more restrictive than in South-South agreements	70
4.1 More efficient customs are associated with more trade	80
5.1 Share of EU nationals in total population, for selected 1985-2000	112
6.1 Global outcomes dominate alternatives	131
6.2 Global reform dominates North-South agreements	133
6.3 Global reform dominates South-South agreements	133
Tables	
1.1 The Global outlook in summary	2
1.2 Current account balances	11
1.3 Long-term prospects: Forecast growth of world GDP per capita	17
1.4 Labor market structure, 2005-15 20	20
1.5 -Regional breakdown of poverty in developing countries	21
2.1 Most countries belong to more than one RTA	30
2.2 RTAs cover many topics besides merchandise trade	35
3.1 Implementation of tariff commitments by type of agreement, 1960-1999	69
5.1 Services, investment, and intellectual property: A comparison	99
5.2 Additional services liberalization in U.S. FTAs	100
5.3 Summary of agreements by degree of labor mobility	111
6.1 Comparison of bilateral agreements with global trade reform	129
Boxes	
1.1 The aggregation paradox	16
2.1 RTAs and types of trade liberalization	28
2.2 Reporting RTAs to the WTO	29
2.3 EPAs become the EU's trade and development instrument: An experiment in "North-South-South" integration	32
2.4 Labor in U.S. FTAs	33
2.5 Trade agreements and the environment	36
2.6 Can RTAs prevent conflict?	38

2.7 Regional versus multilateral and unilateral liberalization: What's more important?	42
3.1 A primer on modeling of RTAs	61
3.2 Regional trade agreements in gravity models: A meta-analysis	63
3.3 Implementation matters	65
3.4 Restrictive rules of origin under NAFTA-the case of clothing	71
3.5 Monitoring implementation of preferential trade agreements "Single Market Scoreboard" in the European Union	73
4.1 Trading can be costly	79
4.2 Border delays tax trade	80
4.3 Standardization and simplification can increase trade volumes: The case of the Trans-Kalahari Corridor	82
4.4 Logistics costs in Europe have fallen in the last two decades	83
4.5 The case of the Northern Corridor Stakeholders Consultative Forum	84
5.1 Not all investment is good investment	106
5.2 Do more investor protections mean more investment? Lessons from bilateral investment treaties	107
5.3 Illegal migration: A growing global phenomenon	113
5.4 U.S. temporary admission programs under NAFTA and unilateral policies	116
6.1 Impacts of the new GTAP database	127
6.2 Regional trade agreements, structural change, and congruence	132
6.3 Choosing partners: Selection criteria for U.S. RTAs	137
6.4 Sequencing of RTAs: Is there a good practice?	139
6.5 RTAs and WTO disciplines	141
6.6 Unisia's Association Agreement with the European Union	146