

1: Big-Think Regionalism: A Critical Survey

Big-Think Regionalism: A Critical Survey Richard Baldwin. NBER Working Paper No. Issued in June NBER Program(s): International Trade and Investment Small Think Regionalism focused on the Vinerian question: "Would a nation gain from joining a trade bloc?"

Brown, Kozo Kiyota, Robert M. The menu of policies encompasses the various preferential U. Congress with Chile and Big-think regionalism: NBER working papers are circulated for discussion and comment purposes. The s witnessed the parallel forces of globalization and regionalization strongly at work. While seemingly contradictory, they are in fact complementary dimensions of market development. This background paper will focus on the latter, and its special dimension of regionalism; i. Particular attention Show Context Citation Context Some trade diversion is inevitable in preferential arrangements, which has costs for domestic consumers and nonmembers. This must be weighed against trade creation and the potential for Burfisher, Sherman Robinson, Karen Thierfelder , " In this paper, we review the debate on new regionalism, focusing on the tools used to evaluate regional trade agreements RTAs. We find that much analysis uses tools from old trade theory in the Viner-Meade tradition, focusing on trade creation, trade diversion, and terms-of-trade effects. These tools are adequate for the analysis of the effects of removing commodity trade barriers shallow integration , but the comfortable Viner-Meade framework misses many of the impacts associated with new regionalism, which typically involves deep integration, often between developing and developed countries. A framework for analyzing new regionalism should include dynamic changes such as trade-productivity links and endogenous growth theory, international factor mobility, the role of imperfect competition, rent seeking behavior, and political-economy considerations such as potential conflicts between regionalism and multilateralism. Agriculture poses problems for new regionalism because of high tariffs, the use of domestic subsidies and entrenched special interest groups, but the role of trade liberalization on its productivity is often overlooked. For developing countries, a crucial issue is whether and how regionalism can be part of a successful development strategy. While new trade theory is concerned with a number of the issues relevant to new regionalism, and is providing new tools, the work is eclectic and is far from providing a unified framework for empirical analysis of new regionalism. Both theoretical and empirical research is needed to improve the reach and scope of new trade theory applied to issues of new regionalism. Opponents of the hypothesis claim that the opposite is true: Two versions of the hypothesis exist, referring either to the volume of trade between potential partners or to the distance and transport costs between them. Fogarty , "

2: RePEc: Richard Baldwin

Economic thinking on regionalism has traditionally focused on the Vinerian question: Would a nation gain from joining a trade bloc? Since , "Big Think Regionalism" considers the broader question of regionalism's impact on the world trading system focusing on two questions: Does spreading.

Jun 11, - Institutional core finance for the. Centre has been provided When Mexico eliminates duties Any opinions expressed here are those of the author s and not those of the Centre for Economic Policy Research. Research disseminated by CEPR may include views on policy, but the Centre itself takes no institutional policy positions. The Centre for Economic Policy Research was established in as a private educational charity, to promote independent analysis and public discussion of open economies and the relations among them. It is pluralist and non-partisan, bringing economic research to bear on the analysis of medium- and long-run policy questions. These Discussion Papers often represent preliminary or incomplete work, circulated to encourage discussion and comment. Citation and use of such a paper should take account of its provisional character. Would a nation gain from joining a trade bloc? Does spreading regionalism harm world welfare? F02, F13 and F15 Keywords: Submitted 11 June Big-Think Regionalism: This fear has pushed regionalism far up the global economic agenda and prompted a new wave of research on regionalism. But this is nothing new. The key question was: Regionalism swept the world trading system like wildfire while multilateral GATT talks proceeded at a glacial pace. In December , GATT negotiations slipped into a 4-year coma causing many to fear that regionalism threatened multilateralism. It comprises two principle lines of inquiry: Does regionalism help or hinder multilateralism? Specifically, the second line of inquiry crystallised around the question of whether an exogenous variation in regional trade blocs made multilateral tariff cooperation more or less likely. The two main lines of inquiry embraced the notion that one could reasonably view changes in the number of blocs as exogenous. The focus was on cause and extent of spreading regionalism; it turned on positive political economy question of which trade blocs would actually emerge Baldwin , , Grossman and Helpman , Yi , Freund a, b, Aghion, Antras and Helpman Summers contribution was to stake out one extreme of the debate on both lines of inquiry. He also asserted that reasonable regional arrangements were as likely to accelerate the general liberalization process as to slow it down. Summers rejected the notation that regionalism and multilateralism were enemies as Krugman, Bhagwati and many suspected; regionalism and multilateralism were the two legs on which the world was walking towards global free trade. In retrospect, Summers was closer to the mark since the Uruguay Round finished in , securing enormous advances in the breath and depth of multilateralism despite, or even because of, spreading regionalism. Plan of the paper. The goal of this paper is to summarise and evaluate the Big-Think regionalism literature. My focus is almost exclusively on theoretical work due to length limits. Before turning to the literature, Section 2 presents the elemental economic effects that concern Big-Think Regionalism in a way that helps to fix ideas and terms. The third line of inquiry is covered in Section 5. A summary and concluding remarks are in Section 6. There is nothing new in this review and it ignores many elements at that important economically â€” e. My sole aim here is to establish a common set of labels and notation for the key concepts underpinning thinking in the Big-Think Regionalism literature. There are only three core effects. All have been known at least since To avoid creating yet another set of terms, I label them according to their intellectual fathers. Much later Gottfried Haberler asserted that all members of a preferential trade agreement RTA must gain while third nations must lose. An RTA is nothing more than a special case of non-uniform commodity taxation, but Viner did not have the benefit of modern economic tools for tax analysis. A partial reduction is better than none at all although, of course, a general reduction would be still better, from an economic standpoint. If the customs union has the effect of diverting purchases to higher money-cost sources, it is then a device for making tariff protection more effective. None of these questions can be answered a priori, and the correct answers will depend on just how the customs union operates in practice. Moreover they fail to cover all the effects generated by discriminatory tariff liberalisation â€” even in a simple Walrasian setting. Kemp-Wan logic A fourth elemental effect in the regionalism literature concerns the interaction between preferential and multilateral tariff cutting.

It is not really a basic economic effect but rather a specific combination of effects motivated the fact that the most important regional liberalisation over the last 60 years Europe and North America has been accompanied by multilateral liberalisation. When thinking about this teaming of multilateral and regionalism liberalisation, the guiding light is the Kemp-Wan logic. Meade introduced analysis that produced one of the few general statements that can be made about RTAs – the Kemp-Wan theorem. The logic is elegant. Removal of all intra-RTA barriers thus shifts 7 Viner is worth reading in the original. His but informal reasoning is full of insights and it anticipates much of the economic and political economy theory as well as the political economy debates that have surrounded economic integration in the subsequent six decades. The key passages are reproduced verbatim in Box 2. The profession knows it as the Kemp-Wan theorem. The first welfare theorem of Walrasian economics guarantees an increase in economic efficiency and lump-sum transfers within the RTA ensure welfare gains for all. Dixit and Norman generalise the analysis, showing that the Kemp-Wan improvement can be obtained without lump sum transfers; intra-RTA commodity taxes and subsidies are sufficient. Of course, real-world RTAs do not adjust external tariffs in a Kemp-Wan manner, nor do they have access to large lump-sum transfers. Nevertheless, the theorem is important from a policy perspective. It proves that RTAs are not necessarily bad for world welfare. Moreover, it helps us think about why the duo of multilateral and preferential tariff cutting – a duo that has been in operation since the s – may have been critical to explaining why post-WWII regionalism has had a relatively benign impact on the world trade system to date. Certainly much more benign than the European regionalism between the wars. Modern tax analysis shows that the welfare impact of any tax change is captured by two terms in the Walrasian setting – one related to the change in consumption over the tax wedge, the other related to the level of consumption times the change in the actual price paid. For the nation imposing the tariff, the net welfare effects is related to the initial tariff wedges on bilateral trade, changes in bilateral imports, and the changes in bilateral border prices according to: See Box 3 a derivation of this expression in a simple linear case, and the appendix for a more general demonstration that allows for a variety of other effects pro-competitive effects, scale effects, location and accumulation effects in a more general economic setting. An antiquated but enduring rule-of-thumb for evaluating RTAs turns on the volume of trade created and diverted. We can use Meadean analysis to show exactly what is being assumed away. Further assuming that tariffs are identical on all imports, the net welfare effect is proportional to the sum of changes in imports. A slightly more general test – one that allows for different bilateral tariffs – is to check the change in tariff revenue collected. Meade b described the trade volume and border price effects as the primary effects, but he listed two other categories of effects. His tertiary effect concerns general equilibrium adjustments necessary to insure the balance of payment. The simplest framework that meets these requirements is a Walrasian 3-nation model Home, Partner and RoW with 3-goods goods 1, 2 and 3 ; each nation exports two goods and imports the other good Figure 1. Since each nation has two sources of imports, tariff discrimination can be a real issue in all markets.

3: Big-Think Regionalism: A Critical Survey - CORE

Small Think Regionalism focused on the Vinerian question: "Would a nation gain from joining a trade bloc?" Big Think Regionalism considers regionalism's systemic impact on the world trading system, focusing mainly on two questions: "Does spreading regionalism harm world welfare?" and "Does."

Staiger - American Economic Review , " Staiger is also grateful for financial support provided by the Despite the important role played by GATT in the world economy, economists have not developed a unified Staiger is also grateful for financial support provided by the Despite the important role played by GATT in the world economy, economists have not developed a unified theoretical framework that interprets and evaluates the principles that form the foundation of GATT. Our purpose here is to propose such a framework. Working within a general equilibrium trade model, we represent government preferences with a very general formulation that includes the traditional case in which governments maximize national income as well as the possibility emphasized in leading political-economy models that governments are concerned with the distributional implications of their tariff choices. From this perspective, we argue that The central role played by GATT in shaping post-war trade policy is widely accepted. Through the eight rounds of trade negotiations that have followed since the inception of GATT in Interdependent preferential trade agreement memberships: More precisely, the presumption is that new PTAs do neither influence the formation of other new PTAs in the future nor do they affect the subsequent enlargement of existing ones. This view is at odds with hypotheses put forward by both political scientists and economists. This paper lays out an empirical analysis to study the role of interdependence in PTA membership in two large data-sets: Applying modern econometric techniques, a PTA membership is found to create an incentive for other countries to form new PTAs or, even more so, to participate in existing ones. Why democracies cooperate more: Electoral control and international trade agreements by Edward D. Peter Rosendorff - International Organization , " Over the past fifty years, barriers to international trade have decreased substantially. While the decline in protectionism since World War II has stemmed partly from unilateral changes in trade policy by countries, it also has been an outgrowth of agreements among countries to liberalize commerce. The purpose of this paper is to analyze the conditions under which states Show Context Citation Context Montgomery - Journal of Conflict Resolution , " Does the dramatic rise of the number of preferential trade agreements PTAs world-wide make economic sanctions more likely through increasing the leverage of the powerful and pitting states against each other in competition power or less likely through increasing the benefits of trade, resolving The authors offer the first systematic test of these pro-positions, testing hypotheses on sanctions onset using a data set of episodes from through However, mutual membership in PTAs has no direct effect on the propensity of states to sanction each other. Show Context Citation Context Member states accordingly have strong reasons to expect substantial gains from interdependence, now or into the future. From this perspective, these gains prod Stepping stones or building blocs? Baldwin , " Do regional trade arrangements help or hinder multilateral liberalisation? The debate surrounding this question can be colourfully illustrated by recounting the famous exchange between two eminent economists, Larry Summers and Jadish Bhagwati at a World Bank conference in Summers, who was head NBER working papers are circulated for discussion and comment purposes.

4: Big-Think Regionalism: A Critical Survey - www.enganchecubano.com

Big-Think Regionalism: A Critical Survey Richard Baldwin NBER Working Paper No. June JEL No. F02,F1,F13,F15,F55
ABSTRACT Small Think Regionalism focused on the Vinerian question: "Would a nation gain from joining a trade.

Cooperation and Discord in the World Political Economy, American Trade Politics, An economic theory of protectionism, tariff bargaining and the formation of customs unions. Bureaucracies and the Political Economy of Protection: Competitive liberalisation and global free trade: Different Paths to Free Trade: Economic Determinants of Free Trade Agreements. Economic Discrimination and Political Exchange: World Political Economy in the s and s, Building Blocs or Stumbling Blocks? Endogenous formation of customs unions under imperfect competition: An American Perspective, Expanding Membership in the European Union, Issue Linkage and Issue Tie-in John Multilateral and bilateral trade policies in the world trading system: Multilateral Determinants of Regionalism: Non-Tariff Distortions of International Trade. Playing Dominoes in Europe: Political preferences for the pork barrel: Politics, Pressures and the Tariff, Preferential Trading Areas and Multilateralism: Strangers, Friends of Foes? Quantifying the impact of technical barriers to trade: Can it be done? Regional trade arrangements in North America: Panagariya eds , New Dimensions in Regional Integration, Regionalism and the World Trading System, Regionalism and the World Trading System. Regionalism, multilateralism and deeper integration, Reincke and Adriana Castro Reshaping the World Trading System: A History of the Uruguay Round, An Analysis of Nontraditional Gains from Tariff Revenue Competition in a Free Trade The Clash of Liberalizations: The cost of protection and the scientific tariff. The Customs Union Issue. Carnegie Endowment for International Peace, The EC and Protection: The economic theory of customs unions. The European Community and World Trade: The Political Economy of U. The size of trading blocs: Towards an integrated Europe, Trade Creation and Trade Diversion in the Trading Blocs and the Americas: Who Should Run Eastern European trade policy and Why a Free Trade Area? Why do countries seek regional trade agreements?

5: CiteSeerX " Citation Query Preferential Trading Areas and Multilateralism

Big Think Regionalism considers regionalism's systemic impact on the world trading system, focusing mainly on two questions: "Does spreading regionalism harm world welfare?" Richard Baldwin.

6: OMC | Online Bookshop

Big-think regionalism: a critical survey. [Richard Baldwin] -- Small Think Regionalism focused on the Vinerian question: "Would a nation gain from joining a trade bloc?" Big Think Regionalism considers regionalism's systemic impact on the world trading system.

7: Richard Baldwin | IDEAS/RePEc

Kenneth Frampton (). 3. Critical Regionalism and World Culture. Architecture can only be sustained today as a critical practice if it assumes an arri@re-

8: Project MUSE - Votes, Vetoes, and the Political Economy of International Trade Agreements

Big Think Regionalism considers regionalism's systemic impact on the world trading system, focusing mainly on two questions: "Does spreading regionalism harm world welfare?" and "Does regionalism help or hinder multilateralism?"

9: EconPapers: Big-Think Regionalism: a Critical Survey

BIG-THINK REGIONALISM : A CRITICAL SURVEY RICHARD BALDWIN pdf

Get this from a library! Big-think regionalism: a critical survey. [Richard E Baldwin].

A Dictionary of the Language of Bugotu, Santa Isabel Island, Solomon Islands Haskell 2010 language report George W. Padgett. Limits of corporate responsibility Apple turnover treasure Cracking the global market How stress affects your health Birthday of the state of Connecticut. Record sheets 3058 unabridged Modern songs, on various subjects: adapted to common tunes. Written on the immediate arrival of the accou Modern standard model physics 2003 ford 50 service manual The new peasant, colonial identity and the modern state. The DNA of Ireland Fatal contractions : Nella Larsens Quicksand and the new Negro mother The Canadian Encyclopedia of Dietary Supplements Do any dinosaurs still exist today? Basic electronics and linear circuits Measurements chemistry lab report Gynecologic oncology, which involves providing consultation and comprehensive management of patients with The Encyclopedia of Ships Billy Sunday : historical fiction Karen Wilt Modern Challenges in Quantum Optics Living with a hyperactive child Cider for all seasons Parishes, tithes, and society in earlier medieval Poland, c. 1100-c. 1250 Toward an ecosystem approach to land-use planning The Mind-Powered Job Hunt Aboriginal art of Australia Paintings in Taxicabs Mixed Marriage in College Focusing on change : specifying the objectives Nitro er 32 bit chip British administration and the northern Sudan, 1917-1924 Vth International Colloquium on Invertebrate Pathology and Microbial Control V.7. Frankish invasions. Faith in the flesh in American beauty : Christian reflections on film Witchcraft in History Old Izaak Walton, or, Tom Moore of Fleet Street, the silver trout, and the seven sisters of Tottenham Radiographic imaging and exposure 4th edition fauber