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Introduction

ANN CAPLING AND PATRICK LOW

Gone are the days when trade policy decisions were settled by one or two government ministries and conveyed with little ceremony to parliament and the public. Evolving views and practices on participatory decision-making, along with a policy-making environment that continues to grow in complexity, have changed the manner in which national trade policy is formulated. The number of governmental authorities and agencies implicated in national trade policy dialogues has multiplied, and so too has the number and diversity of non-state actors (NSAs) laying claim to a say in policy deliberations.¹ This array of parties, including both business and civil society organizations (CSOs), will frequently be pulling governments in different directions. They will also make greater efforts in some policy contexts than others.

The transformation of trade policy-making has attracted considerable attention from scholars and practitioners alike, and there have been many studies that explore the broadening of the trade policy agenda, the emergence of new actors seeking to influence that agenda and the need for governments to manage the growing complexity and politicization of trade policy. However, most of this work has focused on the impact of these changes at the global level, particularly in relation to the workings of the World Trade Organization (WTO), rather than at the domestic level where trade policy-making actually begins. And while there is growing interest in measures taken by governments to 'democratize' trade policy development by making it more open, inclusive and participatory, this literature is largely descriptive, with little analysis of the impact of these processes and interactions on the decisions ultimately taken by governments.

Even less is known about the relationship between these interactions and the preferences of both governments and NSAs on alternative

¹ When we refer to NSAs we include both 'economic' and socially-motivated non-state actors. In some contexts we distinguish between the two, and often refer to the latter group as CSOs.

instruments for trade cooperation – that is, preferential (bilateral and plurilateral) versus multilateral negotiations. To be sure, there is a burgeoning literature on the political and economic motives that spur governments to enter into these arrangements (WTO 2007; Ravenhill 2005). By contrast, literature on societal preferences for regional versus multilateral trade negotiations and the impact of these preferences on government policy and the choice of negotiating forum is scant (Mansfield and Milner 1999). Given the rapid proliferation of preferential trade agreements (PTAs) in recent years, and the accompanying debates about whether PTAs are trade-creating or trade-diverting, and their consequences for the multilateral trade system, this is a particularly striking gap in our knowledge and understanding of domestic trade policy-making.

This book presents the findings of an international research project that was aimed at gaining a better understanding of how NSAs see their interests and seek to influence government policy in relation to PTAs and the WTO as alternative venues for international trade cooperation. The project has explored these issues through case studies of eight developing countries from three continents. The case studies address several related questions. What is the role of NSAs in the development of national approaches to policy formulation in relation to PTAs and multilateral negotiations through the WTO? Do governments and NSAs come to the table with their preferences fully formed, or are they shaped and influenced by their interactions with each other? What are the implications of the interactions between NSAs and governments in terms of preferred instruments for trade cooperation? What then are the ‘optimum’ modes of cooperation? And for whom? What does this tell us about the drivers of multilateralism and regionalism/preferentialism in terms of domestic political and economic interests? Does this offer us any lessons about government choices vis-à-vis multilateralism versus regionalism? Does this offer us any lessons about the multilateralism versus regionalism debate more generally?

The volume begins with a conceptual chapter examining the theory of trade policy-making and issues influencing preferences in relation to the negotiating forum – that is, the choice between a preferential and a multilateral setting. Chapters 2 to 9 contain the case studies on Chile, Colombia, Mexico, Indonesia, Thailand, Jordan, Kenya and South Africa. These chapters broadly follow the same structure. They start with background analysis of the economic, trade and trade policy context of the country. Subsequent sections discuss the major governmental and non-governmental actors in the trade policy-making process, their aims

and their interests. This sets the scene for an analysis of the interaction between different actors, followed by a summary and findings. Chapter 10 complements the country case studies by examining the role of NSAs in the WTO. The chapter analyses how NSAs try to influence WTO decision-making and how, if at all, this international activity is linked to the domestic context in the case study countries. Chapter 11 contains the findings and conclusions of the study.

References

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