

Vlatka Bilas*

World Trade Organization and regional economic integrations: together in future or not?

Summary

There is an extensive theoretical debate on how the formation of a regional economic integration influences the role of the World Trade Organization. World Trade Organization, since its establishment, and its predecessor General Agreement on Tariffs and Trade, made enormous effort in expanding and deepening liberalization of trade multilaterally. However, in past few decades, the trend of proliferation of regional economic integrations occurred, which fostered, among others, regional liberalization of trade. The latest round of trade negotiations among the World Trade Organization membership, the Doha Round, was launched in 2001 and remained uncertain. This fact brought up a question of the present and future role of the World Trade Organization. On the other hand, it seems that countries are even more involved in establishing and deepening regional economic integrations as ever. Some believe that this trend will lead eventually to multilaterally free trade as well as stress the role of the World Trade Organization, but others believe that regional economic integration present a stumbling block to the future functioning of this international organization. So, definitely, the proliferation of regional economic integration in the world economy has not led to enthusiasm for multilateral negotiations so far. There are many proposals of reforms of the World Trade Organization and strengthening its role in the world. Also, there is an issue of rising protectionism and the role of the World Trade Organization in recent trade wars, which is rather different than any possible role one regional economic integration could have. The paper analyses whether regional economic integrations are substitutes for or complements to the World Trade Organization membership. The contribution of the paper is twofold. First, the paper gives an overview of regional economic integration trends, as well as of the challenges and perspectives of the functioning of the World Trade Organization. Second, paper offers recommendations of possible improvements in the functioning of the World Trade Organization and complementarity with regional economic integrations.

Key words: World Trade Organization; regional economic integrations

* prof.dr.sc. Vlatka Bilas, Ekonomski fakultet Sveučilišta u Zagrebu, vbilas@efzg.hr

Introduction

Globalisation entered into all elements of today's life. It assumes different aspects, from the liberalisation of trade, liberalisation of the movement of factors of productions – labor and capital, to communications integration, etc. The results obtained by KOF Globalization Index showed that countries enjoy economic growth when globalization is proceeding rapidly and KOF Globalization Index dimensions are positively associated with economic growth, especially in developing countries (Gygli et al., 2019). One of the factors that has significantly contributed to globalisation is trade liberalization (Grgić et al., 2012). Notably, international trade is considered to be an engine of the economic growth. For instance, Bilas et al. (2015) confirmed unidirectional Granger causality from the exports of goods and services to gross domestic product on the case of Croatia.

As a consequence of globalisation, many international agreements have been signed and these have brought about the creation of international institutions (Grgić et al., 2012). One of these pillars of global economic governance which covers international trade is World Trade Organization (WTO) which ensures that trade flows as freely as possible. There is a general consensus in favour of supporting free trade. In fact, although economist disagree about different issues concerning trade, the superiority of free trade is not questionable (Rodrik, 2018). On the other side, Sutton (2007) states the role of regional economic integrations to be one of the most controversial issues in the international trade theory.

International trade theory developed substantially after the absolute advantages defined by Smith, afterwards comparative advantages defined by Ricardo, etc. In these models' economies were assumed constant returns to scale and perfect competition. Newer models emphasized increasing returns and imperfect competition, but still there is a case for free trade as a good policy (Krugman, 1987).

The first-best is considered to be worldwide free trade, but it is assumed it is not achievable (Frankel et al., 1993). The second-best is presented by the General Agreement on Tariffs and Trade (GATT) and the application of the Most-Favored Nation (MFN) clause. MFN treatment ensures equal trading among all GATT/WTO member nations and excludes exclusive trading privileges. However, free/freer trade, in whatever form, creates winners and losers, but sometimes these distributional effects become secondary in view of the overall gains from trade (Rodrik, 2018). According to Blundell-Wignall (2018) governance of trade, international investment and competition does not use common rules which makes it heavy to conduct adequate policies to protect the above-mentioned losers.

The paper analyses whether regional economic integrations are substitutes for or complements to the World Trade Organization membership and consists of five parts.

After the introduction follows the review of the role of World Trade Organization. The third part of the paper contains literature review of regional economic integrating trends, while the fourth part gives an overview and discusses coexistence of the World Trade Organization and regional economic integrations. The fifth part of the paper is the conclusion.

The role of the World Trade Organization: past, present, future

Short historical overview of the establishment of the WTO can help in understanding that issues concerning to the WTO and multilateral trade system started from the very beginning of the establishment of this system.

At the end of the 19th century a network of mostly bilateral trade agreements was established throughout Western Europe (Panagariya, 2018). At that time, only America remained rather protected continent. Trade between colonies powers and colonies in Asia and Africa was rather liberalized, and Europe obliged China and Japan to adopt more liberalized trade policies. Interestingly, the above-mentioned agreements incorporated already an MFN clause, taking as an example the Cobden-Chevalier treaty (signed between United Kingdom and France) from 1860 (Panagariya, 2018). The First World War interrupted globalization and liberalization paths and Europe increased trade barriers, like America. Even in the period between two wars, colonies, as well as China and Japan increased their trade barriers too, since they gain some independency (Panagariya, 2018).

Multilateralism did not emerge spontaneously but as a conscious goal (Winters, 2015). After the Second World War and the Bretton-Woods conference in 1945 efforts on post-war development started. Considering trade, charter was drafted to ensure the establishment of the International Trade Organization (ITO) in 1946 and two years later 56 countries signed it on a meeting in Havana (Havana Charter). However, the USA Congress refused to ratify the Havana Charter and ITO was never established. Meanwhile, in the period of drafting and signing charter, countries negotiated some tariff reductions and signed the GATT in order for these reductions to become effective from the 1. 1. 1948 (Panagariya, 2018). The principle of non-discrimination was the corner-stone of the GATT (Winters, 2015).

GATT was thought to be interim measure, prior to signing Havana Charter, but after the failure to establish the ITO, the GATT started serving for further trade negotiations. Eight rounds of negotiations were conducted in the period of 50 years under the GATT, and the latest, Uruguay round resulted in the establishment of the WTO in 1995. Finally, the GATT efforts became institutionalized.

Conclusively, efforts on accomplishing liberalized multilateral trade system took much longer period of time, and started prior the establishment the WTO. According

to the WTO itself, this organization operates a global system of trade rules, it acts as a forum for negotiating trade agreements, it settles trade disputes between its members and it supports the needs of developing countries (WTO, 2019).

Today, there are 164 member countries of the WTO. In these 24 years, the membership of the WTO has kept increasing with the total trade volume of its members accounting for 98% of world's total, which fully demonstrates the representativeness of the multilateral trading system (World Trade Organization, 2019).

Larch et al. (2019) showed that, on average, joining GATT and/or WTO has increased trade between members by 171% and trade between member and non-member countries by about 88%. They also found that GATT/WTO has been effective in promoting trade between members, but the WTO has been more effective in promoting trade with non-members than GATT.

Tai and Wan Lee (2009) state that accession to the WTO is beneficial for countries, having their research done on the sample of Central Asia countries. They claim it can help these countries to realize its trade potential, diversify, to make the policy environment more facilitating to trade, investment and economic growth.

Countries jointly agree within WTO on their actions within the trade negotiations rounds. So far, there have been eight trade rounds since 1947: Geneva (1947), Ancey (1949), Torquay (1951), Geneva (1956), Dillon Round (1960–1961), Kennedy Round (1964–1967), Tokyo Round (1973–1979) and Uruguay Round (1986–1994). Ninth Round, Doha Round started in 2001 and still is not completed. This fact represents one of the main arguments in favour of the WTO reform.

Panagariya (2018) claims that negotiations for the Doha Round were, among others, complicated by the following: emergence of several large developing countries: Brazil, China, India and Indonesia; emergence of large multinationals; withdrawal by the USA from the leadership role and recent trade wars.

Evenett and Fritz (2019) concluded that following the failure of the Doha Round, there is little desire to liberalize trade further within the WTO, but stress the fact that countries working together through the WTO still can accomplish more than alone.

Imperative of WTO reform has been evident also for number of years since WTO is losing its central role which is visible from the fact that many countries pursue protectionism and to a lesser degree further liberalization unilaterally (Evenett and Fritz, 2019).

A protectionism has been on the rise (Gunnella and Quaglietti, 2019) which makes WTO dispute resolution under threat as trade wars occur. Member countries are increasingly imposing new trade restrictions. For example, in 2018 the USA increased tariff on specific products, sectors, and countries in several phases. Fajgelbaum et al. (2019) analyzed the impact of the trade war on the USA economy and found that annual consumer and producer losses from higher costs of imports were \$68,8 billion

(0,37% of GDP) and after accounting for higher tariff revenue and gains to domestic producers from higher prices, the aggregate welfare loss was \$7,8 billion (0,04% of GDP).

USA and China are currently in a trade war of unprecedented scope and magnitude (Crowley, 2019). The fact that two of the largest trading powers in the world are engaged in a tariff war cannot be neglected. According to Kumar and Kandžija (2018) USA trade protectionist measures might be soon followed by other countries which also calls for reform of present international trade system.

However, Caporal and Gerstel (2018) claim there are three main reasons why countries are not satisfied with the WTO functioning and they call for reform: (1) 2/3 of WTO member countries claim developing country status at the WTO that allows them to take advantage of certain benefits and exemptions to obligations not granted to advanced economies, even ten out of G20 countries; (2) inefficient and unsuccessful negotiations and (3) USA and some other countries are not satisfied with the Appellate Body which permits countries to appeal against adverse rulings and has acted beyond its original mandate.

Most of the WTO member countries agree on the need for reform and gave their proposals, just they disagree in the content of the reform. In the following text Canadian, European Union, Chinese and Indian proposal are mentioned.

Canadian proposal is not designed as specific policy proposal, but more as a direction of future negotiations and is stressing efficiency, strengthening dispute settlement system and updating rules, while the European Union made more specific proposal (Caporal and Gerstel, 2018): improving transparency and subsidy notifications from member states, removing investment barriers in service industries, expanding the Appellate Body panel from seven to nine judges, redefining membership of the Appellate Body from part-time to full-time, etc.

Emerging economies like China and India also gave their contributions. According to the China's proposal of the WTO reform (WTO, 2019), the objectives set out in the Marrakesh Agreement have not yet been fully achieved, features of the modern international trade have not been timely addressed and WTO is facing existential crisis. This proposal stresses four necessary areas of reform (Table 1).

Table 1. Proposal of the WTO reform

Areas	Actions
Resolving the crucial and urgent issues threatening the existence of the WTO	<ul style="list-style-type: none"> • breaking the impasse of the appointment process of Appellate body members • tightening disciplines to curb the abuse of national security exception • tightening disciplines to curb unilateral measures inconsistent with WTO rules
Increasing WTO's relevance in global economic governance	<ul style="list-style-type: none"> • rectifying the inequity in rules on agriculture • improving trade remedies rules • accelerating negotiations on fisheries subsidies • advancing joint initiative on trade-related aspects of e-commerce in an open and inclusive manner • promoting discussions on new issues
Improving the operational efficiency of the WTO	<ul style="list-style-type: none"> • improving the compliance of notification obligation • improving the efficiency of WTO subsidiary bodies
Enhancing the inclusiveness of the multilateral trading system	<ul style="list-style-type: none"> • respecting the right of special and differential treatment of developing members • adhering to the principle of fair competition in trade and investment

Source: WTO (2019: 3–8).

On the other hand, India's proposal for WTO reforms which was supported by a large majority of countries, but not the USA, urged for prohibition of unilateral trade measures and more efficient solutions of global trade disputes.

Proliferation of regional economic integrations: trends

The WTO allows member countries to form agreements that eliminate or reduce trade barriers within integration. Regional trade agreements (RTAs) should not increase trade barriers to countries outside integration and should eliminate trade barriers for countries within integration (Grgić and Bilas, 2009).

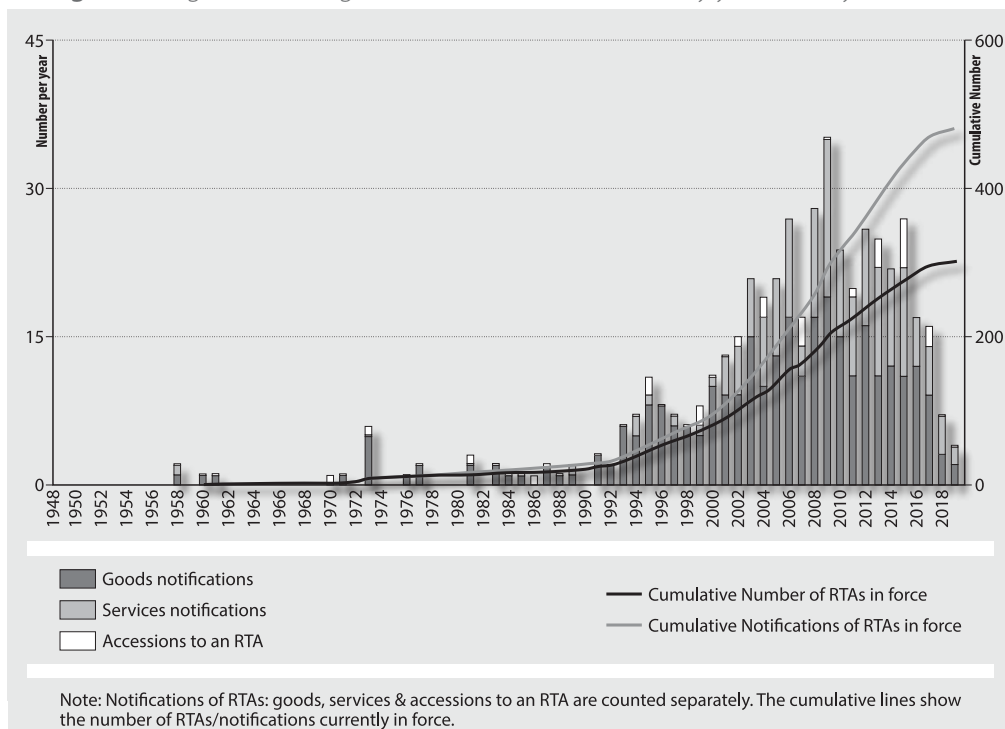
In the past two decades, the number of RTAs notified to the WTO has exploded, as well as the economic literature investigating the effects of these agreements (Soete and van Hove, 2017; Chase, 2003). Many authors agree that these agreements have become the main tool for pursuing liberalization in international trade. In fact, these agreements evolved and moved from pure liberalization of trade in goods to other economic aspects, having in mind new features of globalization – multinationals and global value chains (Choi, 2017).

There are 302 regional trade agreements in force and registered to the WTO in September 2019 (WTO, 2019a). Out of this number, 50% or 151 RTAs include goods and

services, while 49% or 149 RTAs include only goods and 1% or 2 RTAs only services liberalization. However, there are 481 notifications on RTAs in force. By WTO legal provisions, these notifications can be divided to GATT Article 24 (free trade areas) – 51%; GATT Article 24 (customs unions) – 4%, Enabling clause – 12% and GATS Article 5 – 33%. Also, out of these notifications, by type of the agreements, most of them, 53% is related to free trade areas and 32% to economic integration agreements.

The European Union is by far the largest RTA in terms of trade, accounting for 34% of world merchandise trade in 2018 (WTO, 2019b). Also, the EU has maintained the largest share of intra-regional trade with 64%. African RTAs increased intra-regional exports. For example, the Southern African Development Community and the Common Market for Eastern and Southern Africa increased their intra-regional shares by around 10 percentage points in the past ten years (WTO, 2019b).

Figure 1. Regional trade agreements in force 1948–2019 (by year of entry into force)



Source: WTO (2019a).

Conclusively, proliferation started after 1990s (Sutton, 2007; Vitalis, 2015). According to Sutton (2007), agreements after this period were mostly bilateral, and different

among each other. In cases when these agreements were among countries with different level of development the issue of equitable relationship was present.

With the proliferation of RTAs, the number of regional courts increased and many of them are not primarily focused on trade (Alter and Hooghe, 2016). However, their establishment and use are unequal in different part of the world.

Clear distinction between the old and the new regionalism has to be made (Joost Teunissen, 1998). The new regionalism includes economic, political, social and cultural aspects, not only free trade arrangements (Joost Teunissen, 1998).

Vinerian approach introduced static effects of creating RTAs – trade creating and trade diverting (Bhagwati and Panagariya, 1996). His legacy remained influential in shaping further discussions (Sutton, 2007). The idea was that creation of RTAs could have negative effects for member countries and world welfare. The effect of creating trade can be seen when reducing tariffs leads to switching from more expensive domestic production to cheaper production in the partner country in the RTA, while trade diversion occurs when discrimination of third countries or non-member countries leads to switching from cheaper production in countries outside the RTA to more expensive production in countries that are members of the RTA. Positive static effects occur when trade creation exceeds trade diversion. As opposite from short run static effects, in the long run, potential positive dynamic effects occur due to the capital accumulation allowing production to increase and accelerated growth of productivity as a result of different forms of specialization and the economies of scale arising from it (Grgić and Bilas, 2009).

Besides this approach, many other authors gave their contribution in the analysis of the possible effects of creation RTAs. For example, de Melo et al. (1993) studied, among others, whether the regional approach can accomplish objectives that cannot be accomplished via unilateral trade liberalization and concluded if the current trend of unilateral liberalization continues, integration is less likely to have negative efficiency effects.

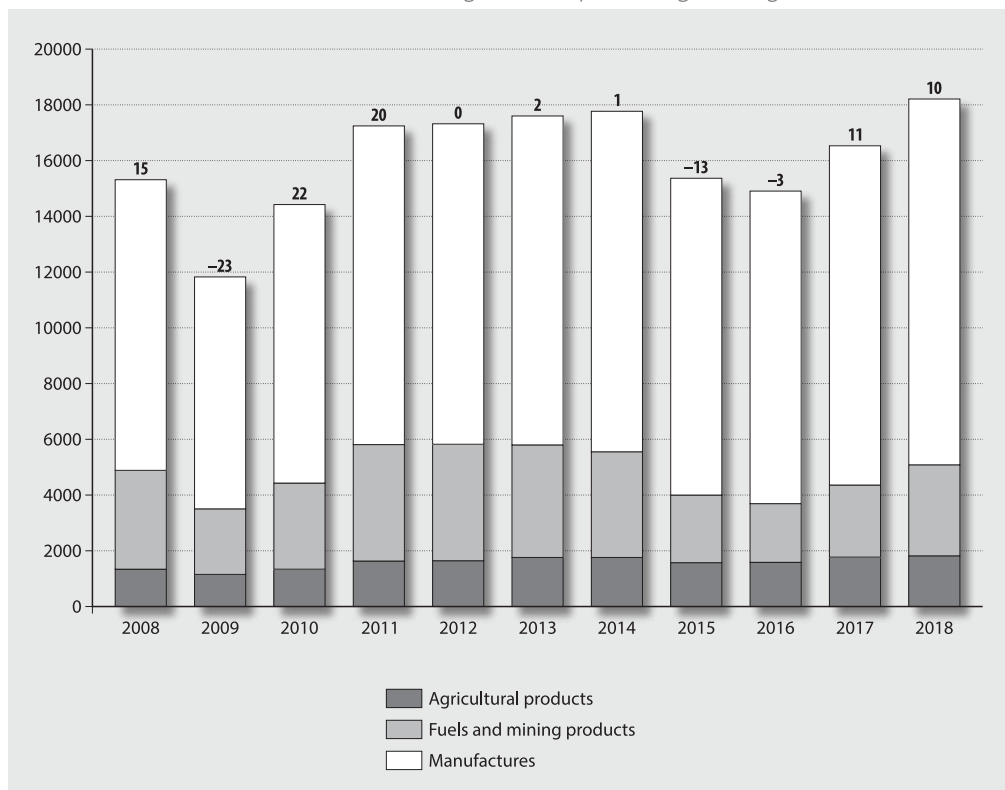
In today's regionalism, the occurrence of mega-regional trade agreements cannot be neglected. Mega-regional trade agreements are unprecedented in terms of the numbers of countries involved, their total GDP, the variance in their levels of development, the volume of world trade that they account for, their geographic coverage, the volume of foreign direct investments, they are global in conception and scope, nothing like RTAs (Winters, 2015). The examples of mega-regional trade agreements are the Trans-Pacific Partnership (TTP), the Trans-Atlantic Trade and Investment Partnership (TTIP) and the Regional Comprehensive Economic Partnership (RCEP). However, TTIP (agreement between the European Union and the USA) negotiations were launched in 2013 and ended without conclusion at the end of 2016 and European Council decision from 15 April 2019 made negotiating directives no longer relevant.

Overview and discussion

It is still an open question whether regional economic integrations contradict or undermine multilateral path of world trade liberalization under the WTO. The Doha Round has resulted in RTAs achieving trade opening relatively quickly compared to the WTO (Apaza Lanyi and Steinbach, 2017).

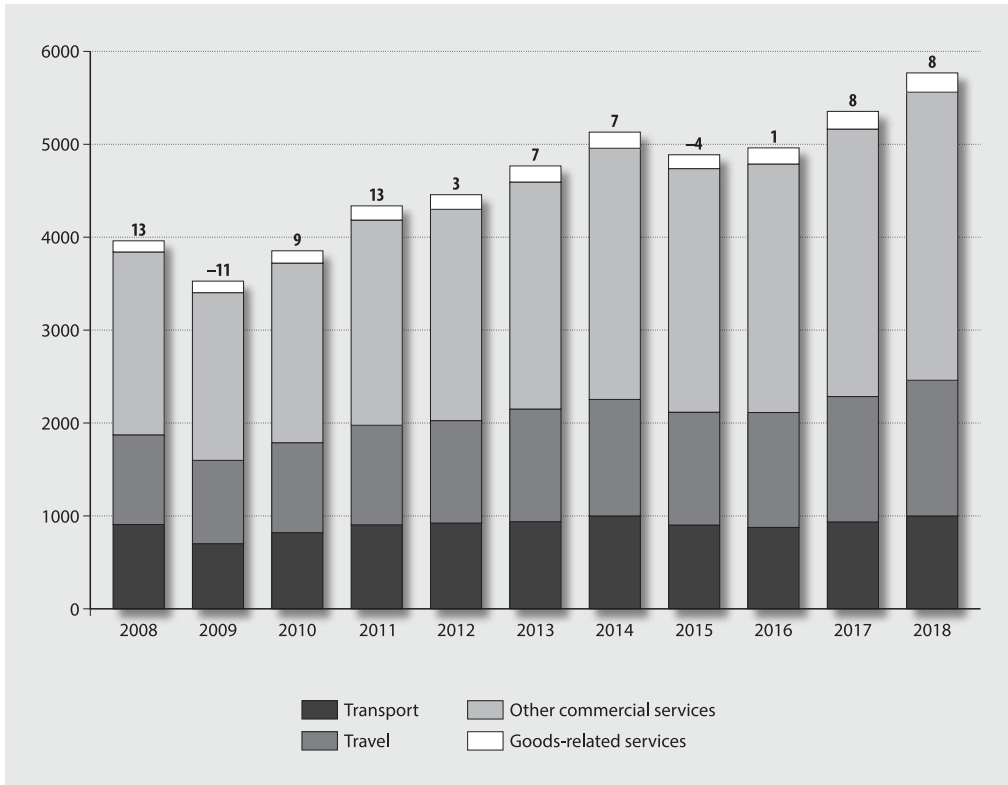
Although the number of RTAs has been increasing, the trading system has not collapsed and the growth of trade does not seem to be affected (Winters, 2015). According to WTO (2019b) data, world trade and GDP both have increased by 26% since 2008. World exports of merchandise trade have increased by 20% and of commercial services of 46% in value terms since 2008. Exports of manufactured goods grew at an average annual rate of 2,3% and services exports grew by an average annual rate of 3,9% (WTO, 2019b) (Figures 2 and 3).

Figure 2. World merchandise exports by product group and annual growth 2008–2018 (USD billion and average annual percentage change)



Source: WTO (2019b).

Figure 3. World exports in commercial services by sector and annual growth 2008–2018 (USD billion and average annual percentage change)



Source: WTO (2019b).

The Doha Round of trade negotiations failure has led many to ask whether the WTO can sustain the open trading system and its primarily role (Panagariya, 2018). However, it should be taken into consideration that all Uruguay round agreements were fully implemented.

Buelens (1992) warned that kind of regionalism developed in the years the GATT was presented complementary to it, but afterwards it is presented as an alternative to the GATT. Frankel et al. (1993) concluded that world trading system is in danger of entering of excessive regionalization.

Panagariya (2018) states that world economy in last two decades has been open more than in any other era. However, he concluded also that RTAs fragmented the trading system by undermining the MFN principle and will come to dominate the system with the WTO taking a backseat.

Preferential agreements may undercut multilateral liberalization, but still Blanchard (2014) proposes to return deep integration measures to the WTO table due to the fact that recent trends demonstrate demand for deep regional economic integrations.

However, according to Winters (2015) the roots of this threat were in the closing stages of the negotiation of the ITO, when for political reasons the exception from MFN was extended from customs unions to free trade areas. The GATT article 24 and the GATS article 5 gives preferential trade areas exemption from the MFN principle (Panagariya, 2018).

After 1990s, the increasing trend of forming RTAs resulted in low quality RTAs too, and many are challenged to meet the GATT Article 24 to cover of substantially all trade Vitalis (2015).

Rising unilateralist and protectionist practices are undermining multilateralism and the system of free trade (World Trade Organization, 2019).

Winters (2015) points out that mega-regional trade agreements threaten the multilateral trading system by discriminating and displacing multilateral functions and activities.

There is also a challenge of coherent application of RTAs and WTOs trade rules which depends on the degree to which adjudication allows integration of alien legal sources (Apaza Lanyi and Steinbach, 2017). Otherwise, there is a risk of incoherence between RTAs and WTO regimes, as well as among RTAs.

Proliferation of RTAs was seen as a result of the fact that multilateralism is too cumbersome for contemporary trade issues (Baldwin, 1993). However, Baldwin (1993) didn't see the only result in the multilateral trade issues but assumed possible idiosyncratic shock. He showed that deeper integration of an existing regional bloc can facilitate membership requests from third countries since closer integration can harm the profits of third countries exporters which will, on the other hand, start to stimulate their promembership activities. Further enlargement harms even more to third countries exporters due to the bigger RTA market and more membership activities and request are facilitated which all results in a further enlargement of RTA.

Main critics from the literature are for instance: RTAs are unable to completely eliminate all sensitive sectors, RTAs are concerned only with traditional border barriers to trade, countries entering RTAs are more concerned about their regional /bilateral relationships than with compatibility with the WTO, RTAs make exemption from the MFN principle, RTAs have weakened the will of the influential WTO members to negotiate in earnest at the multilateral forum, RTAs increased fragmentation of both substantial and procedural governance of trade, putting at risk the coherent application of global trade rules (Sutton, 2007; Apaza Lanyi and Steinbach, 2017; Panagariya, 2018).

Another view, is that RTAs serve as building blocks. For instance, regionalism has been a building block for multilateral trade liberalization in the case of Latin America (Ando et al., 2009).

In the literature different arguments can be found: RTAs continue aspirations for open trade, recent RTAs are helping to support the liberalization of sensitive agricultural sectors considerably more quickly, RTA members are prepared to go considerably further in terms of actual commitments that are WTO-plus, outside the goods area and to agree to address issues that are not even included in the WTO Doha Round, such as investment, competition policy, and even labor and environmental standards, RTAs are trying to mitigate the risk of complex rules of origin, etc. (Sutton, 2007; Vitalis, 2015).

Rodrik (2018) is concerned about redistributive results of RTAs since the changing nature of RTAs. Namely, these agreements are now much deeper and go far beyond trade barriers. He claims these RTAs can empower a different rent-seeking interests instead of neutralizing protectionists.

Since there is no WTO progress, RTAs are becoming the only option (Sutton, 2007). Different approaches in the literature suggest RTAs tend to evolve in a protectionist direction, “interfering with multilateral trade liberalization” (Chase, 2003, p. 137).

Alter and Hooghe (2016) explained the increase of the number of regional courts as a signal to a bigger commitment to uphold specific values.

Vitalis (2015) found some evidence on the sample of the ASEAN-Australia-New Zealand FTA and the Malaysia-New Zealand FTA that RTAs can be building blocks for multilateralism. According to Vitalis (2015) especially RTAs formed from 2008. For instance, these RTAs are helping to support the liberalization of sensitive agricultural sectors quicker; prepared to go further in terms of actual commitments that are WTO-plus, and to agree to address issues like investment, competition policy, labor and environment standards, that are not even included in the WTO Doha Round. However, Vitalis (2015) concludes there remain good reasons to be concerned about the rising number of RTAs, but their role as a stumbling block to the multilateral trade system has not been fully realized either.

RTAs offer advantages in terms of scope and flexibility compared with global trade agreements negotiated within the WTO (McKay et al., 2005). They are more easily negotiated due to a smaller number of countries involved, usually geographically closed, similar cultures, geopolitical goals, etc.

Finally, Bilas and Franc (2016) conclude regionalism and multilateralism are expected to continue to coexist.

Conclusion

Both, multilateralism and regionalism, have their opponents and advocates, have their advantages and disadvantages. The conclusion of the ongoing debate is still indecisive. What has to be in the focus is world welfare and its redistribution. No one is questioning the benefits of free trade or the impact of trade on economic growth and development.

It is a fact that negotiations within the WTO take a rather long time. It is also the fact that trends of proliferation regional economic integrations in the world didn't help multilateral negotiations under the WTO. Nowadays, and after such a proliferation of RTAs, it is clear that countries cannot or won't stick to multilateralism only. Also, protectionism is increasing and two largest trading countries are in the middle of a trade war while the WTO seems helpless.

However, multilateralism is worth preserving due to clear economic, social and governance benefits. It cannot be clearly stated that RTAs are complement or supplement to multilateral world trade system at this point, but actions should be taken to make sure RTAs function as a complement. These actions should be mainly reflected in the WTO reform and consensus on the reform measures are of the highest priority for preserving and strengthening the role of the WTO in global trade system. Most of the reform proposals do not tackle specifically RTAs, like for instance combat with protectionism, but it is also one of the priorities how to enable the WTO and RTAs to continue to coexist and act facilitating and enabling to world trade flows and consequently to world development.

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Svjetska trgovinska organizacija i regionalne ekonomske integracije: zajedno u budućnosti ili ne?

Sažetak

Vodi se ekstenzivna teorijska debata o tome kako stvaranje regionalnih ekonomskih integracija utječe na ulogu Svjetske trgovinske organizacije. Svjetska trgovinska organizacija, od svog osnutka te svog prethodnika, Općeg sporazuma o carinama i trgovini uložila je ogromne napore u širenje i produbljivanje liberalizacije trgovine multilateralno. Ipak, zadnjih desetljeća razvidan je trend proliferacije regionalnih ekonomskih integracija, a što je potaknulo, između ostalog, regionalnu liberalizaciju trgovine. Posljednja runda pregovora među zemljama članicama Svjetske trgovinske organizacije, Doha runda, započela je 2001. godine i još nije zaključena. Ova činjenica dovela je u pitanje sadašnju i buduću ulogu Svjetske trgovinske organizacije. S druge strane, čini se da su zemlje više nego ikada uključene u uspostavljanje i produbljivanje regionalnih ekonomskih integracija. Neki su uvjerenja kako će ovaj trend voditi u konačnici multilateralno slobodnoj trgovini te ojačati ulogu Svjetske trgovinske organizacije, dok drugi vjeruju da regionalne ekonomske integracije predstavljaju kamen spoticanja budućeg funkcioniranja ove međunarodne organizacije. Definitivno, proliferacija regionalnih ekonomskih integracija u svjetskoj ekonomiji nije rezultirala entuzijazmom za multilateralnim pregovorima do sada. Mnogo je prijedloga reformi Svjetske trgovinske organizacije i jačanja njene uloge u svijetu. Također, tu je i pitanje rastućeg protekcionizma i uloge Svjetske trgovinske organizacije u nedavnim trgovinskim ratovima, a koja je bitno različita od bilo koje uloge koju neka regionalna ekonomska integracija može imati. U radu se analizira jesu li regionalne ekonomske integracije supstituti ili komplementi članstvu u Svjetskoj trgovinskoj organizaciji. Doprinos rada ogleda se u dva pravca. Prvo, u radu se daje pregled trendova regionalnog ekonomskog integriranja, kao i izazova te perspektiva djelovanja Svjetske trgovinske organizacije. Drugo, u radu se nude preporuke mogućih poboljšanja u djelovanju Svjetske trgovinske organizacije i komplementarnosti s regionalnim ekonomskim integracijama.

Ključne riječi: Svjetska trgovinska organizacija; regionalne ekonomske integracije