

## Preface to First Edition [2004]

This book is a collection of papers written over the last decade on the topics of trade liberalization and trade preferences. Four of these have been published previously. “Goods vs Factors: When Borders Open, Who Moves?” *The World Economy*, Vol. 26, April 2003, pp. 533–554 is reproduced as Chapter 2 in this book; “The Pattern of Removal of Trade Barriers” (Michael Michaely, Demetris Papageorgiou, and Armeane M. Choksi, *Liberalizing Foreign Trade: Lessons of Experience in the Developing World*, Basil Blackwell, 1991, Appendix A1) appears here as Chapter 3; “Partners to a Preferential Agreement: Implications of Varying Size” (*Journal of International Economics*, Vol. 46, October 1998, pp. 73–85) forms Chapter 5; and “Assessing the Promise of a Preferential Trade Agreement” (*Trade, Development and Political Economy*, Palgrave, 2001, pp. 121–140) appears as Chapter 9. These papers are reprinted here under almost identical titles, and with very minor changes required for stylistic uniformity in the book. Permission by the four respective publishers for reproduction is gratefully acknowledged.

The rest of the chapters are new. Their substance largely derives from work, which has circulated in a variety of mimeographed forms; but they have gone here through considerable transformations. Chapters 6 and 10 rely to a large extent on studies I have carried out for the World Bank, mostly presented in “Small Economies: Trade Liberalization, Trade Preferences and Growth” (January 1996, written jointly with Demetris Papageorgiou) and “Trade Preferential Agreements in Latin America: An *Ex-Ante* Assessment” (March 1996). Chapters 4, 7 (new Chapter 12) and 8 (new Chapter 7) are based on work performed during my stay in the fall of 2000 as Visiting Professor at the Center for Research on Economic Development and Policy Reform at Stanford University, which appeared as a Working

Paper of the Center titled “Trade Liberalization and Preferential Trade Agreements: Some Unexplored or Unresolved Issues” (February 2001).

My prime debt is to Demetris Papageorgiou, my colleague at the World Bank at the time, whose involvement was instrumental in implementing much of the work presented here, and whose advice contributed substantially to its design and formulation. I also wish to express my gratitude to the Center at Stanford, and to its then Director Anne O. Krueger, whose hospitality enabled me to pursue the research there. Suggestions by Max Corden, Nadav Halevi, Ronald Jones, Ephraim Kleiman, and the late Richard Snape led to many improvements. Helpful comments were also provided by participants at seminars given on various occasions at the World Bank and at Stanford. My indebtedness for all these contributions is sincerely acknowledged.

## Preface to Revised Edition [2008]

Aside from a variety of editorial changes, the revision of this volume consists of the addition of three chapters representing research conducted over the last two years: Chapter 8, “The Impact of Liberalization on Trade Structure”; Chapter 13, “Proximity: The Role of Distance”; and Chapter 14, “Trade Relationships within Regional Groupings.”

Alexander Elbert has expertly carried out the computation work in this added research and has also made substantive comments on the studies; his contribution has been invaluable. I am also greatly indebted to Jeffrey Bergstrand for comments and advice on much of this material.