

The Shrinking Gains from Trade

Global Trade Watch

The World Bank has finally admitted what ordinary people in developing countries experience every day: global trade liberalisation is just exacerbating the world's current inequalities. The World Bank has just released its new projections of the possible gains from a "successful" round of World Trade Organisation negotiations. Where just two years ago the Bank was projecting more than \$500 billion in developing country gains from increased trade, 80% of those supposed gains now are gone. The new World Bank projections show:

- * 70% of the gains would go to rich countries, up from 40% in 2003;
- * A small number of the largest developing countries would capture most of the developing country benefits;
- * in a "likely Doha scenario" of reforms, developing country gains amount to less than a ONE CENT per day per capita;
- * Poverty impacts are very small, with projected reductions of LESS THAN ONE PERCENT in the number of people living in poverty.

Download "The Shrinking Gains from Trade: A Critical Assessment of Doha Round Projections" here: <http://ase.tufts.edu/gdae/pubs/wp/05-01ShrinkingGains.pdf>