



Greater Access to Rich Countries' Markets Reduces Poverty

IFPRI's agricultural trade liberalization work on the WTO's Doha Negotiations has resulted in approximately 70 publications since 2004. IFPRI ex-ante impact assessment discussion paper #28 in 2008 by external evaluator Joanna Hewitt ("Impact Evaluation of Research by the International Food Policy Research Institute on Agricultural Trade Liberalization, Developing Countries, and WTO's Doha Negotiations" <<http://www.ifpri.org/sites/default/files/publications/ia28.pdf>>) provides a list of these publications and details the outcomes of the research. The following summary focuses on the key research outcome and the key methodological outcome (for which relevant evidence can be found in the Hewitt paper) and an additional outcome developed after the ex-post study was published.

Outcomes

Duty Free and Quota Free (DFQF) Market Access for LDCs.

IFPRI's research yielded two propositions made by Bouet, Mevel, and Orden (2006b, <http://www.ifpri.org/sites/default/files/publications/rb06.pdf>) for making a Doha outcome more beneficial for development in poor countries. IFPRI's modeling results suggested that the development impact of an agreement could be significantly enhanced if 100 percent of goods from less-developed countries (LDCs) were given free access to rich countries' markets, including the United States and Japan, without any product exemption. IFPRI's research modeled that under this provision LDCs could multiply their real income gain from the Doha Round by seven. Thus, LDCs could lift their real income gain from around US\$1.03 billion without 100 percent DFQF access to approximately US\$7 billion if DFQF were included on the Doha outcome. Secondly, IFPRI's research demonstrated that a more ambitious outcome of the Doha Round that included cutting tariffs and subsidies was most beneficial for developing countries overall.

The research attracted significant media attention. The ambitious outcome analysis was the central focus of a *Washington Post* column by Robert Samuelson on December 14, 2005 <[link](#)>. An op-ed column in the *New York Times* by Susan Sechler and Ann Tutwiler on August 1, 2006 <www.nytimes.com/2006/06/26/opinion/26sechler.html?em

<[eta1](#)> focused on the DFQF results. The issue of duty-free and quota-free trade drew increasing attention as it was debated in Washington, with trade-oriented groups and the U.S. Congress showing interest. After briefings and further debate, the idea was incorporated into legislation drafted for congressional consideration. In the context of the U.S. Congress, the work also has stimulated interest in further improvements of the American preferences program more generally.

The MacMap database. This database uses methodology designed by IFPRI, the International Trade Centre (ITC) the United Nations Conference on Trade and Development (UNCTAD-WTO), and Centre D'Etudes Prospectives et D'Informations Internationales (CEPII) that allows for a richer, more nuanced treatment of the differential impact of various trade liberalization scenarios on different groups of developing countries

(<search.ssrn.com/sol3/papers.cfm?abstract_id=702888>).

Soon after its development, it was adopted for use by the Global Trade Analysis Project 6 (GTAP) database. MacMap has been widely accepted and used in the profession since that time; it has been valued for the precision and richness with which global trade distortions and developing-country agricultural economies have been represented. The MacMap data incorporated into GTAP were used, for example, by the World Bank in studies conducted in 2005. Anderson and Martin (2006)

<www.fao.org/righttofood/kc/downloads/vl/docs/Agriculture_trade_WTO_Doha.pdf> note that the new 6.05 version of the GTAP database "is a major improvement over the previous version for several reasons."

"The Potential Cost of a Failed Doha Round" This report (<<http://www.ifpri.org/sites/default/files/publications/ib56.pdf>>), which was published after the Hewitt impact assessment discussion paper, has been influential with key stakeholders. Correspondence from a WTO official noted that thanks to IFPRI the numbers they now see quoted on the potential loss of world trade due to the failed Doha round are \$1 trillion (instead of \$9 billion or \$100 billion in GDP). An article in the December 8, 2008, edition of *Newsweek International* <www.newsweek.com/id/171314> quotes a WTO official who refers to IFPRI's estimates of financial losses to world trade. An article in the December 15, 2008, edition of *The Economist* <www.economist.com/finance/displaystory.cfm?story_id=12

[818719](#)> quotes Antoine Bouet and David Laborde's research, estimating the potential cost of a failed Doha Round and global resort to protectionism.

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