Trade and Trade Policies in Eastern and Southern Africa

By a staff team led by Arvind Subramanian

With Enrique Gelbard, Richard Harmsen, Katrin Elborgh-Woytek, and Piroska Nagy

INTERNATIONAL MONETARY FUND Washington DC August, 2000

 \mathcal{O}

Contents

List of Abbreviations Preface		vi
		vii
I	Overview	ł
11	Eastern and Southern Africa: Broad Characteristics of the Region	4
111	Trade Liberalization by ESA Countries During the 1990s	6
	Unilateral Liberalization in Goods Multilateral Liberalization in Goods Liberalization in Services	6 12 13
IV	Regional Integration	17
	Preferential Liberalization in Goods Trade Developments	17 18
V	The External Environment and Trade Developments	20
	External Environment Openness Export Performance	20 20 21
VI	Macroeconomic Aspects of Trade Liberalization	24
	Initial Macroeconomic Conditions Trade Liberalization and Macroeconomic Outcomes Fiscal Aspects of Trade Liberalization	24 24 27
AH	Trade Policy Issues Ahead	30
	The Unfinished Agenda of Unilateral Liberalization Regional Preferential Integration Preferential Agreements with Industrial Countries Multilateral Liberalization Role of Complementary Policies Role of Major Trading Partners	30 30 33 33 34 35
References		56
Boxe	s	
III V VI	 3.1. Trade Liberalization in the Context of IMF-Supported Programs 5.1. Trade Protection and Trade Outcomes in Africa 6.1. South Africa: Dynamic Gains From Trade Liberalization 	10 22 25

·