RESEARCH PAPERS OF WROCŁAW UNIVERSITY OF ECONOMICS No. 126
Asia-Europe. Partnership or Rivalry? 2010

Elżbieta Czarny, Jerzy Menkes
Warsaw School of Economics

Katarzyna Śledziewska
University of Warsaw

REGIONAL COOPERATION IN EUROPE AND ASIA

Abstract: As the prospects for global cooperation and multilateral negotiations are unclear, many countries and groups of countries look for alternative forms of international cooperation. Their result is the enhancement of regional integration. In this paper we discuss trade relations of two Asian regional groups: Association of South-East Asian Nations (ASEAN) and Asia-Pacific Trade Agreement (Former Bangkok Agreement) (APTA). We compare their performance with the effects of activity of two most important European regional groups: European Union (EU) and European Free Trade Association (EFTA). We study economic potential, openness and trade relations of those four groups of countries and of both continental groups analyzed in the years 1994-2008. We start with an analysis of process of regionalism concentrating attention on regional preferential trade agreements in Asia.

Key words: economic integration, preferential trade agreements, international trade.

1. Introduction

Nowadays multilateral negotiations under auspices of WTO are more complicated than in the past. They cover a broad range of subject including not only trade liberalization but also natural environment and intellectual property protection. They are accompanied by the conviction that, because of the expected benefits, predominantly the highly developed countries are concerned with the adoption of further agreements, while the less developed ones will suffer losses, at least in the form of the lack of potential profits.

As the prospects for global cooperation and multilateral negotiations are unclear, many countries and groups of countries look for alternative forms of international cooperation. Their result is enhancement of regional integration allowing its participants to benefit with no bearing costs of multicultural worldwide cooperation. Homogeneity of collective subjects of international relations (e.g. EU or NAFTA) helps to reduce internal transaction costs. Regional integration begins often in form of preferential trade agreements among the member countries.

Asia as well as Europe is taking part in the process of regional integration. In this paper we discuss trade relations of two Asian regional groups: Association of South-East Asian Nations (ASEAN) and Asia-Pacific Trade Agreement (Former Bangkok Agreement) (APTA). We compare their performance with the effects of activity of two most important European regional groups: European Union (EU) and European Free Trade Association (EFTA). We study economic potential, openness and trade relations of those four groups of countries and of both continental groups analyzed. We start with an analysis of process of regionalism concentrating attention on regional preferential trade agreements in Asia.

2. Regionalism in modern world economy

Modern regionalism is defined as a process of uniting economic potentials of at least two countries/regions in order to maximise intensity of economic cooperation. The main symptom of regionalism is establishing regional groups of states and international organisations (within their competences). Members of those groups enjoy free internal trade and – eventually – free internal movement of production factors supplemented with economic policy coordination.[1] Political as well as economic reasons are decisive for many participants of regional agreements. Among economic reasons the most important are those easing or removing barriers to the flow of goods, services, capital and labour. The agreement setting may enhance the protection of its members markets, allowing for legal use of customs barriers and preferences, which is generally prohibited by WTO. The agreements become regional security warrants or guardians of the values represented by the member states.

Of special interest are regional groups with WTO members participation. WTO member countries are namely obliged to obey Organisation's *acquis* (primary and secondary laws), including prohibition of discrimination being the foundation of multilateral trade system specified by the MFN and NT clauses.[2] Basic rules of regional trade agreements are contrary to MFN clause. According to them conditions for participants of economic cooperation are different from those related to third parties.[3] The first regional agreements were established within the normative scope

[1] Further we name those groups of countries "regional preferential trade agreements" (RTAs) being aware that many working agreements concern not only trade but also factor movement and economic policy coordination (or even some other than economic aspects of cooperation).

[2] Rules regarding MFN (for trade not only in goods, but also in services and copyrights) are covered by GATT Article I, GATS Article II and TRIPS Article IV. NT clause is regulated by GATT Article III, GATS Article XVII and TRIPS Article III.

[3] Deviation from WTO general rules is permitted by GATT Article XXIV, agreements on interpretation of GATT 1994, Article XXIV, Enabling clause and GATS Article V. Article XXIV of GATT provides for free trade areas (FTAs) and customs union (CU) principles. Article XIV of GATT regulates regional agreements on commodities, while GATS Article V in services. The enabling clause allows highly developed states to enter regional agreements and confer preferences in trade with developing countries.

of GATT Article XXIV[4] already in the 1940s, booming during the third wave of regionalisation[5] commenced in the second half of the 1990s and lasting till today. Currently there are valid 227 binding bi- and multi-lateral agreements of preferential treatment.[6]

Initially regional agreements were of multilateral character. Currently bilateral agreements gain importance. In December 2007 they accounted for 76% of all RTAs notified and in force, and 93 % of those signed and under negotiations.[7] The basic reason of the multilateral agreements' smaller popularity are difficulties with their implementation arising from earlier political obligations of potential members who already are parties to one or more agreements, which makes the negotiation process more difficult. Originally, mainly countries of the same geographical region (neighbouring countries) were those cooperating the most intensely, which was sanctioned in MFN clauses. Gradually regional agreements have become the most important deviation from MFN. 44% of the agreements active in December 2007 were of intra-regional character but this figures increases to 67% for agreements signed and under negotiation.[8] However, due to the exhaustion of the formula of their establishment, during the first decade of 21st century interregional forms of trade liberalisation start to dominate. Almost 43% of the entered and negotiated contracts turn into interregional ones, while at planning stage they account for 52%. Interregional groups provide for further relaxation of trade barriers and trade turnover increase in the global market. Interregional agreements change the world trade pattern, which in recent decades based primarily on intraregional exchange.

Asia is intensively participating in process of integration, though with a smaller intensity than Europe. In Asia there are active multilateral as well as bilateral regional agreements. Asia is a latecomer in the move of regionalism comparing to Europe[9] (see Figure 1). Since 1990s we observe an increase in creating of Asian

---

[4] GATT Article XXIV provides for both FTA and CU establishment. Still, the latest are far less frequent. In the frame of Article XXIV of GATT has been introduced or enlarged 130 FTA and only 3 CU (see www.wto.org).

[5] Regional integration processes taking place since the GATT establishment are referred to as the first wave. The second half of the 1980s commences the second wave of regionalisation.

[6] See more: www.wto.org.

[7] R.V. Fiorentino, J. Crawford, C. Toqueboeuf, The landscape of regional trade arrangements and WTO surveillance, [in:] R. Baldwin, C. Wyplosz (eds.), *The Economics of European Integration*, McGraw-Hill, 2009.

[8] *Ibidem*.

[9] Asia came to regionalism later compared with Americas and Africa, too. Regionalism through the WTO framework centered first on APEC (APEC was established in 1989 and currently has 21 members, including most countries with a coastline on the Pacific Ocean: Australia, Brunei, Canada, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, United States (all mentioned before entered in the year 1989), Chinese Taipei, Hong Kong, China and People's Republic of China (1991), Mexico and Papua New Guinea (1993), Chile (1994), Peru, Russia and Vietnam (1998). As it is clearly seen from the list of APEC's member states, is interregional (intercontinental) group of countries.

RTAs in form of bilateral and plurilateral trade arrangements (see Figure 2). There are three main motives pushing Asia to regionalism. The first one is deepening of market-driven economic integration. The second one is progress of European and North American regionalism increasing Asia's motivation to strengthen bargaining power in global trade. The third one is Asian financial crisis in the years 1997-98 indicating the need for strengthening international economic cooperation. Some Asian countries are involved in many preferential trade agreements ("noodle bowl" syndrome – see Figure 3). RTAs with participation of Asian countries are dominantly the intra-regional ones, though also the number of the extra-regional ones is still increasing (see Table 1).

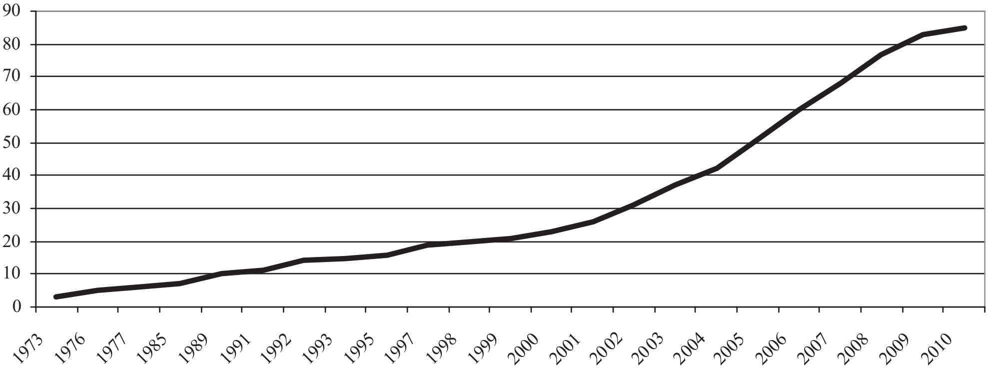

Figure 1. Number of notified active RTAs in East and West Asia and Middle East by year of entry into force (cumulative) in the years 1948-2009

Source: http://rtais.wto.org.

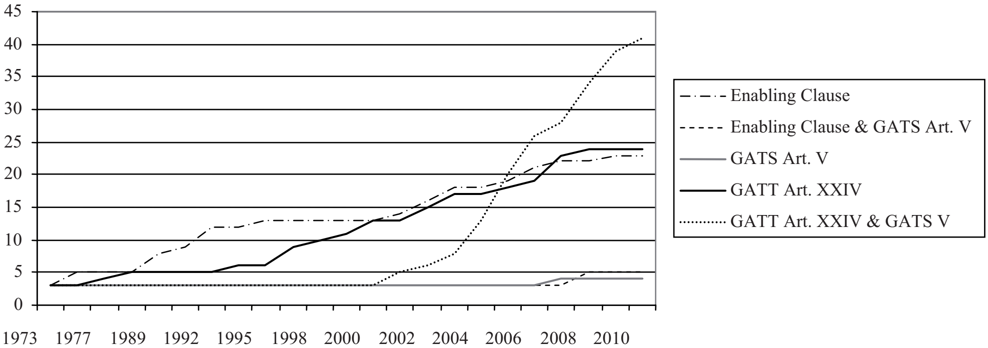

Figure 2. Number of notified active RTAs in East and West Asia and Middle East by year of entry into force (cumulative) in the years 1948-2009, by legal cover

Source: http://rtais.wto.org.

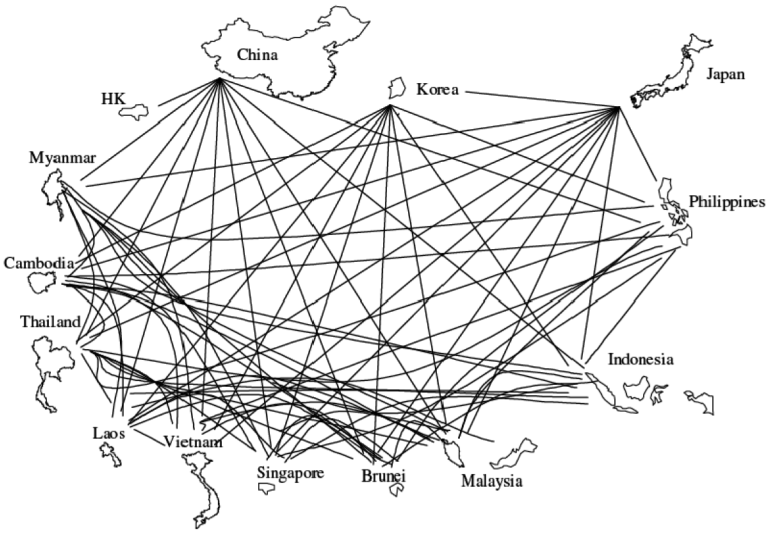

Figure 3. The East Asian "Noodle bowl" syndrome

Source: R.E. Baldwin, *Multilateralising Regionalism: Spaghetti Bowls as Building Blocks on the Path to Global Free Trade*, NBER Working Paper No. 12545, October 2006, p. 38.

Table 1. Number of notified to the GATT/WTO active RTAs in East and West Asia and Middle East by year of entry into force (cumulative) in the years 1995-2010, divided into the extra- and intra-regional RTAs

Region	1995	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Extra-regional	11	14	15	16	18	20	24	27	30	38	43	49	54	58	60
Intra-regional	4	4	4	4	4	5	6	9	11	12	16	18	22	24	24

Source: http://rtais.wto.org.

3. Economies of the main Asian and European regional groups in the world economy

In this section we analyze trade relations of two Asian regional groups: Association of South-East Asian Nations (ASEAN)[10] and Asia-Pacific Trade Agreement

[10] ASEAN Free Trade Area (AFTA) liberalizes trade in goods. ASEAN is based on WTO Enabling Clause. It exists since 1992. Member countries since its creation are: Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.

(APTA).[11] We compare their performance with the effects of activity of two most important European regional groups: European Union (EU) and European Free Trade Association (EFTA).[12] Before we start analysing characteristics of trade of the main Asian and European regional groups we discuss their position in the world economy. We analyze shares of their GDPs in the world economy and their GDP *per capita* (GDP *pc*). The empirical study covers the period from 1994 till 2008.

Data in Table 2 proves the importance of the analysed trade groups[13] in the world economy. In 2008 their share in the world GDP amounted to more than 45%. What is more, it increased by over 6.6 p.p. in the years 1994-2008. During the same period EU noticed the highest (ca. 30%) and slightly increasing (by 0.5 p.p. in the analyzed period) share in the global GDP. APTA is the third largest group in the world (after EU and not analyzed here NAFTA).[14] APTA experienced a very dynamic growth (its GDP share in the world GDP more than doubled in years 1994-2008). In the year 2008 ASEAN had the fourth position in the world GDP with much smaller share in the world GDP (2.46 %) than mentioned EU and APTA. The smallest share in the world GDP is observed in EFTA (in 2008 1.69%). In the year 1994 the share of the both European groups (EU and EFTA) was more than four times larger than the share of both analyzed Asian groups (31.14% versus 7.29%). Fifteen years later this difference dropped to 2.4 (31.75% versus 13.35%) in result of a very dynamic growth of the APTA's share in the world GDP.

There are big discrepancies in GDP *pc* between Asian and European regional groups of countries we analyze. They continued over the whole period of investigation, though they diminished lately (see Table 3). The richest are EFTA inhabitants. In the year 1994 their GDP *pc* was two times higher than the one of those living in EU, almost 28 times higher than in ASEAN and 57 times higher than in APTA. In 2008 the difference between GDP *pc* in EFTA and EU did not change, between EFTA and

---

[11] Asia Pacific Trade Agreement (APTA) was formerly (since 1976) known as "Bangkok Agreement". It was Preferential Trade Agreement covering liberalization of trade with goods based on WTO Enabling Clause. Originally the Agreement signatories were: Bangladesh, India, Republic of Korea, Lao People's Democratic Republic, Sri Lanka. Current signatories of APTA are: Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic and Sri Lanka.

[12] EU is meant as EU-27 including: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom. EFTA members are Iceland, Norway, Switzerland.

[13] In order to avoid GDP fluctuation resulting from changes in the number of members of a respective group in the analysed period, there are agreed permanent numbers of the group members corresponding with the real list of the members in 2008. Thus, even if – e. g. in case of EU – in the analysed period the number of members had altered it is considered to be permanent as of the data for 2008. We use the same method of adjusting number of RTAs members also in the later analysis.

[14] More about the most important RTAs in the world see: E. Czarny, J. Menkes, K. Śledziewska, *Regionalne umowy handlowe – bariera czy uzupełnienie globalnej liberalizacji wymiany towarowej*, Zeszyty Naukowe KGŚ SGH 2010 [forthcoming].

Table 2. The main Asian and European regional groups GDP share in world GDP in 1994-2008, in %

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	5.14	5.73	6.27	6.59	6.29	6.66	7.03	7.42	7.82	7.91	8.15	8.85	9.39	10.09	10.87
ASEAN	2.15	2.28	2.48	2.36	1.60	1.80	1.87	1.81	1.94	1.93	1.92	1.98	2.19	2.33	2.48
EFTA	1.49	1.59	1.56	1.42	1.44	1.40	1.33	1.36	1.45	1.51	1.52	1.52	1.50	1.51	1.59
EU	29.65	30.87	30.90	29.24	30.52	29.43	26.57	27.05	28.36	30.76	31.57	30.50	29.97	30.90	30.13
Total	38.43	40.47	41.21	39.61	39.85	39.29	36.8	37.64	39.57	42.11	43.16	42.85	43.05	44.83	45.07

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 3. The main Asian and European regional groups GDP *per capita* in 1994-2008, in USD

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	600	727	800	826	771	835	895	927	1 004	1 128	1 293	1 498	1 701	2 023	2 407
ASEAN	1 225	1 404	1 537	1 434	947	1 093	1 147	1 086	1 198	1 322	1 456	1 593	1 883	2 216	2 607
EFTA	34 216	40 050	39 781	36 024	35 943	36 160	35 147	35 494	39 204	45 632	51 178	54 946	58 424	65 409	75 799
EU	16 668	19 109	19 476	18 320	18 941	18 912	17 493	17 636	19 180	23 287	26 771	27 817	29 464	33 906	36 653

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

ASEAN even increased (to 29 times) and drastically decreased between EFTA and APTA (to 31 times). It is one more proof of dynamic development process of APTA countries, which GDP *pc* increased by four times (at the same time GDP *pc* of all other three groups more than doubled). In the year 1994 APTA inhabitants were two times poorer than those of ASEAN. After 15 years APTA almost cached up with ASEAN (APTA's difference to GDP *pc* of EU also diminished: in 1994 APTA's GDP *pc* made up 3.3% of the respective GDP of EU and in 2008 it was already twice so much).

4. Trade in the main Asian and European regional groups

Theoretical analysis[15] proves that discriminatory liberalisation results in making trade among member states (internal trade) more intense than trade with other countries (external trade). Simultaneously, the world trade liberalisation resulting from GATT Uruguay Round made internal trade freedom slightly less significant. At the same time as more states are bound by preferential agreements, the growing part of world trade enjoys at least partial trade liberalisation. However, the economic downturn lasting from autumn 2008 may stir the integrated groups either to close up (protectionist tendencies or intensification of internal trade are expected) or to look for more competitive trade partners from the outside (with resulting intensification of external trade). In detailed analysis of internal and external trade of the major Asian and European groups we compare data from the years: 1994, 2006, 2007 and 2008 to find out the dominating type of trade. Data for 2006 provide information on changes in internal and external trade of major integration groups in the last year preceding the economic downturn. In order to show significance of both Asian and European regional groups in world trade, we shall analyse changes in their economies openness, their participation in the world trade as well as in internal and external trade.

Changes in regional groups openness, measured as relation of their total export and import to GDP, are shown in Table 4. The most open regional group in the whole analysed period is ASEAN. Its trade keep exceeding its GDP uninterruptedly since 1997. Moreover, both APTA and ASEAN listed significant (over 25 p.p.) increase in openness level in the analysed period. All analysed trade groups have became much more open. In 2008 all analyzed Asian and European groups noticed higher shares in global export and import than in global GDP. Furthermore, in 2008, the year beginning the current economic downturn, only EFTA showed the openness level decrease. That proves that the beginning of the economic downturn did not cause the analysed groups closure for trade.

[15] See e.g. R. Baldwin, C. Wyplosz (eds.), *The Economics of European Integration*, McGraw-Hill, 2009.

Table 4. Economies openness of the main Asian and European regional groups in 1994-2008, in %

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	36.3	36.8	34.9	35.5	34.6	35.4	41.5	39.2	41.5	47.3	54.4	56.7	60.1	60.5	62.2
ASEAN	93.8	100.5	95.3	102.2	128.3	118.6	135.9	127.9	119.9	118.8	133.2	140.6	136.4	129.4	133.5
EFTA	50.8	50.9	52.4	56.0	56.1	56.2	62.3	61.0	58.2	56.7	59.5	61.9	66.3	68.2	67.9
EU	43.9	47.1	47.5	50.3	51.3	51.6	58.7	57.8	56.0	55.1	57.2	60.0	64.1	63.9	66.3

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 5. The main Asian and European regional groups share in the world export in years 1994-2008, in %

Trade group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	5.8	6.0	6.0	6.5	6.5	6.7	7.4	7.6	8.5	9.3	10.2	11.1	11.9	12.7	13.2
ASEAN	6.1	6.3	6.3	6.4	6.0	6.3	6.7	6.3	6.3	6.0	6.2	6.2	6.3	6.3	6.3
EFTA	2.5	2.4	2.4	2.3	2.2	2.2	2.2	2.3	2.4	2.3	2.3	2.3	2.2	2.3	2.3
EU	40.9	42.3	41.9	40.4	42.9	41.3	38.0	39.9	40.6	41.7	41.0	38.9	38.0	38.2	36.8
Total	55.3	57.0	56.6	55.60	57.6	56.5	54.3	53.8	51.5	59.3	57.4	56.2	56.2	59.5	56.3

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 6. The main Asian and European regional groups export *per capita* in 1994-2008, in USD thousand

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	108	133	136	151	147	156	190	186	214	271	358	438	536	649	774
ASEAN	555	673	698	717	657	708	832	736	763	837	1 036	1 173	1 358	1 515	1 752
EFTA	9105	10 638	11 055	10 624	10 142	10 637	11 892	11 822	12 625	14 261	16 845	19 027	21 817	24 996	29 499
EU	3686	4 560	4 705	4 686	4 893	4 886	5 070	5 090	5 410	6 438	7 660	8 266	9 293	10 676	11 903

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 7. The main Asian and European regional groups share in the world import in 1994-2008, in %

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	5.8	6.0	6.2	6.0	5.2	5.9	6.8	7.0	7.8	8.8	9.6	10.1	10.6	11.1	11.8
ASEAN	6.4	6.8	6.9	6.6	5.0	5.1	5.7	5.4	5.4	5.1	5.2	5.5	5.5	5.5	5.9
EFTA	2.2	2.2	2.1	2.0	2.1	2.0	1.8	1.9	1.9	1.8	1.8	1.7	1.7	1.7	1.7
EU	39.6	40.6	39.9	38.5	41.3	40.1	37.7	38.6	38.9	40.2	39.7	38.4	38.4	38.6	36.8
Total	54.0	55.6	55.1	53.1	53.6	53.1	52	52.9	54	55.9	56.3	55.7	56.2	56.9	56.2

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 8. The main Asian and European regional groups import *per capita* in 1994-2008, in USD thousand

Regional group*	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
APTA	110	134	143	142	119	140	181	178	202	263	346	410	487	576	724
ASEAN	595	740	770	750	560	588	727	654	673	732	903	1 068	1 211	1 352	1 729
EFTA	8260	9743	9778	9537	10 037	9702	9992	9839	10 211	11 634	13 596	15 002	16 932	19 628	21 983
EU	3621	4426	4546	4528	4 812	4862	5186	5104	5 315	6 387	7 651	8 404	9 587	10 974	12 387

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

In the period 1994-2008, the share of export of the analysed trade groups in the world export increased from 55.3% up to 56.3% (see Table 5), and import share from 54% up to 56.2% (see Table 6). In case of Asian and European groups those shares moved in opposite directions. The share of Asian groups increased (in export by 7.6 p.p. and in import by 5.5 p.p.), whereas the share of the European ones decreased by – respectively – 4.3 p.p. and 3.3 p.p. The changes in export and import *per capita* changed very dynamically. APTA's value increased more than seven times. In case of the other groups of countries it increased ca. three times.

Table 9 data prove that contrary to theoretical prediction, the internal export did not supplant the external export. In 2008, share of internal trade of EU increased as compared to 1994 by 1.4 p.p. with a significant increase in both internal and external trade. A share of the internal export in the export of APTA (11.7% in 2008) and EFTA (0.8%) is surprisingly low. In 2008 the internal export exceeded 50% solely in the case of EU (67.2%). It confirms theoretical prediction regarding trade intensification within a group (although they trade intensely with the rest of the world). ASEAN was subsequent on the list in the years 2006-2008.

Table 9. The main Asian and European regional groups internal export in years 1994 and 2006-2008, in USD billions and its shares in export of the group in %

Regional group*	1994		2006		2007		2008	
	USD bln	share	USD bln	share	USD bln	share	USD bln	share
APTA	15.1	6.0	150.5	10.7	198.0	11.2	246.5	11.7
ASEAN	64.4	24.4	194.3	24.9	216.4	25.2	255.5	25.4
EFTA	0.9	0.8	1.5	0.6	2.2	0.7	2.9	0.8
EU	1135.4	65.8	3087.6	67.6	3628.7	67.9	3972.3	67.2

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

Table 10. The main Asian and European regional groups internal import in years 1994 and 2006-2008, in USD billions and its shares in import of the group in %

Regional group*	1994		2006		2007		2008	
	USD bln	share	USD bln	share	USD bln	share	USD bln	share
APTA	17.2	6.8	180.3	14.0	231.3	14.5	278.2	14.1
ASEAN	52.5	18.5	184.6	26.3	188.4	24.7	261.1	26.3
EFTA	0.9	0.9	1.8	0.8	1.9	0.8	2.5	0.9
EU	1065.6	63.2	2959.7	63.2	3533.7	64.1	3852.8	62.6

*In alphabetical order.

Source: the authors' own calculations pursuant to: http://stats.unctad.org/Handbook.

As in case of export, the internal import was biggest in the EU (see Table 10). Again, in case of the EU alone the internal import exceeded the external one in the whole analysed period (respective share in 2008: 62.6%). In case of ASEAN internal trade made up 26.3% of its exchange in goods. However, in case of ASEAN, in years 1994-2008 the share of internal import increased significantly (by 7.8%), while the EU share dropped slightly. In 1994 APTA as well as EFTA was among those regional groups having lower than 10% share of the internal import EFTA's share of internal import was smaller than 1%).

5. Conclusions

Theoretical analysis proves that both setting free trade areas and customs unions have favourably influenced the internal trade and unfavourably the external one. Our study does not confirm theoretical prediction. Trade results seem worse than assumed theoretically. Regional groups seem to be protectionists far less than heralded with no empirical verification. Regional groups of the commencing 21st century are relatively open and trade intensely not only with countries inside but also with those outside the integrated area. It was so also at the beginning of the current economic downturn. The analysed Asian and European groups become more open during the period of investigation. With the exception of the most integrated EU they continue to trade dominantly with the countries out of area.

Analyzed regional groups seems not to become an obstacle to the world trade. Trade freedom resulting from preferential agreements seems to promote trade liberalisation (under WTO auspices in particular). This is the result of more common participation of any states, including WTO member states, in regional agreements providing for discriminatory trade liberalisation encompassing ever bigger part of the world, with diminishing area remaining outside its range, so becoming *de facto* less and less discriminating. Regional groups take over, at least to certain extent, the world trade liberalisation function following the WTO multilateral negotiations inhibition. That may make regionalisation a stage of globalisation process, not an obstacle.

References

Baldwin R.E., *Multilateralising Regionalism: Spaghetti Bowls as Building Blocks on the Path to Global Free Trade*, NBER Working Paper No. 12545, October 2006.

Baldwin R., Wyplosz C. (eds.), *The Economics of European Integration*, McGraw-Hill, 2009.

Czarny E., Menkes J., Śledziewska K., *Regionalne umowy handlowe – bariera czy uzupełnienie globalnej liberalizacji wymiany towarowej*, Zeszyty Naukowe KGŚ SGH 2010 [forthcoming].

Fiorentino R.V., Crawford J., Toqueboeuf C. The landscape of regional trade arrangements and WTO surveillance, [in:] R. Baldwin, C. Wyplosz (eds.), *The Economics of European Integration*, McGraw-Hill, 2009.

Kawai M., Wignaraja G. Multilateralising regional trade arrangements in Asia, [in:] R. Baldwin, C. Wyplosz (eds.), *The Economics of European Integration*, McGraw-Hill, 2009.

Internet sources

http://rtais.wto.org.
http://stats.unctad.org/Handbook.
www.wto.org.

WSPÓŁPRACA REGIONALNA W EUROPIE I AZJI

Streszczenie: Z powodu zahamowania globalnej współpracy i negocjacji wielostronnych wiele państw i grup państw szuka alternatywnych form współpracy międzynarodowej. W konsekwencji coraz powszechniejsza staje się regionalna integracja gospodarcza. W tym tekście analizujemy handel prowadzony przez dwa azjatyckie ugrupowania regionalne – ASEAN i APTA. Osiągane przez nie wyniki porównujemy z tymi, które są efektem wymiany handlowej prowadzonej przez dwa najważniejsze europejskie ugrupowania regionalne: UE i EFTA. Badamy potencjały ekonomiczne wszystkich czterech ugrupowań, poziom ich otwartości oraz rozmiary i dynamikę zmian w ich handlu w latach 1994-2008. Rozpoczynamy od krótkiej analizy procesów integracyjnych, zwracając szczególną uwagę na regionalne umowy o preferencjach handlowych zawierane w Azji.