



Initiative for Policy Dialogue
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TRADE TASK FORCE MEETING

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MEETING NOTES
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(i) Meeting Participants

Mauricio Cardenas	Executive Director, FEDESARROLLO
Andrew Charlton	Research Fellow, Oxford University
<i>Andres Rodriguez Clare</i>	Inter-American Development Bank
Gordon Hanson	Research Fellow, University of California San Diego
Shana Hofstetter	IPD Coordinator, The Initiative for Policy Dialogue
K.S. Jomo	Professor of Economics, University of Malaysia
Anton Korinek	PhD. Student, Economics, Columbia University
Laura Limonic	Program Coordinator, The Initiative for Policy Dialogue
Aiman Mackie	The Ford Foundation
Kamal Malhotra	Senior Adviser, The United Nations Development Program
Manuel Montes	Program Officer, Governance and Civil Society, The Ford Foundation
Akbar Noman	Policy Fellow, The Initiative for Policy Dialogue
Jose Antonio Ocampo	Under-Secretary-General for Economic and Social Affairs, The United Nations
Maria Angela Parra	Department of Economic and Social Affairs, The United Nations
<i>Dani Rodrik</i>	Professor of International Political Economy, Kennedy School of Government, Harvard University
Shari Spiegel	Director, The Initiative for Policy Dialogue
Joseph Stiglitz	IPD Executive Director; Professor, Columbia University
James Tybout	Professor of Economics, Pennsylvania State University

(ii) Introduction to IPD

Shari Spiegel presented an introduction to IPD. She said the **mission** of the IPD was to help developing countries to explore policy alternatives and to understand the trade-offs associated with different policy choices.

Shari Spiegel said that the **IPD task forces** are responsible for summarizing the literature and presenting what we know and do not know on each issue in a policy-relevant manner. The purpose of the task forces is not to present a final opinion on issues, but instead to ensure that countries have a comprehensive understanding of the theory and evidence relevant to each issue, and to increase their ability to make better decisions for themselves.

IPD also conducts **country dialogues** to help governments and their people explore economic policy alternatives. Successful country dialogues have occurred in several countries, including Columbia, Nigeria, the Philippines, Ethiopia, and Vietnam. IPD brings together senior government officials, NGOs, labor, academics, business communities, think tanks, and the media to evaluate economic policy alternatives and promote an understanding of the issues. IPD also conducts follow up meetings in several of the countries after the initial dialogue.

Dani Rodrik said that in his experience of participating in country dialogues, they were successful in opening debate in several important areas.

Shari Spiegel also described the **IPD's journalism program**. The program aims to improve journalists' economic literacy and equip them to report and write about the major economic issues confronting developing economies. In the program, journalists are given the opportunity to learn from experts. They also receive training in critical and analytic journalism from experienced journalists.

(iii) Priorities for the Development Round

Joseph Stiglitz introduced a draft paper that had been produced by the IPD for the Commonwealth Secretariat. The paper looks at what ‘development’ should mean within the current WTO round. Joseph Stiglitz will present the final version of the paper at a meeting on Commonwealth Finance Ministers as well as at the IMF and World Bank meetings.

Joseph Stiglitz said the paper asks a series of questions: (i) What should a Development Round of trade negotiations look like? (ii) What would an agreement that was based on principles of economic analysis and social justice—not on economic power and special interests—look like? (iii) What would be an agreement that promoted economic development and be fair look like?

Joseph Stiglitz noted that the proposals in the Commonwealth paper were based on **four principles** for the Doha Round. (i) A trade agreement should be assessed in terms of its impact on development, (ii) An agreement should be fair, (iii) An agreement should be fairly arrived at, (iv) Any agreement should retain for each country as wide a scope for the exercise of its national sovereignty, so long as it does not adversely impact others, and in particular, the trade of others.

The fourth principle led to a discussion about the appropriate boundaries of the **policy space** for WTO agreements.

Dani Rodrik pointed out that even the most remote WTO provisions still have some effect on trade flows. Therefore he suggested that the final principle above doesn’t give clear guidance as to the appropriate boundaries of the ‘policy space’.

Andres Rodriguez Clare suggested a ‘principle of conservatism’ as an alternative means of limiting the policy space. Such a principle would require that issues before the WTO be closely linked to trade flows. He suggested that the WTO’s mandate should be interpreted narrowly in the first instance and the ‘burden of proof’ should be on those who wish to extend the agenda to demonstrate the link to trade.

Dani Rodrik accepted the principle of conservatism and argued in favor of respecting countries’ preferences and idiosyncratic development trajectories. He suggested that, for example, the CAP is a willful decision by an autonomous society to be inefficient in a certain way – specifically to assist farmers. He noted that most of the cost of this policy was borne by the EU itself, and the default

position of the international community should be to respect this type of preference.

Andres Rodriguez Clare suggested that the WTO could be a forum in which countries negotiate to act collectively and therefore expand their set of choices beyond autarkic scenarios. In so doing, the WTO allows countries to reach superior policies from the same preferences. For example, countries could substitute domestic protection for an alternative policy emerging from an expanded choice set in which other countries also reduce their protection.

Dani Rodrik suggested that the right of countries to enforce their values (say in relation to the imposition of protection against products produced with child labor) should be respected by the WTO if these values are the result of democratic processes.

Jim Tybout noted that these values could be enforced without border protection if products were clearly labeled with the appropriate information and consumers were given the choice to buy them or not.

Dani Rodrik said this was not effective because there are often consumption externalities, i.e. consumers may not want to purchase goods produced by child labor and they may not want to live in a society where such goods were available to others.

Shari Spiegel said that there is also a coordination problem if some consumers would prefer values were upheld by their society but were not willing to be the only ones to do so if others were allowed not to.

The issue of policy space was returned to later in the meeting.

The discussion turned to the need to provide **incidence analysis** of the welfare effects of WTO proposals.

Joseph Stiglitz suggested that the WTO conduct General Equilibrium Incidence Analysis to fully assess the impact of trade liberalization. He said that there was a need to be cognizant that different developing countries will be affected differently and different groups within a developing country will be affected differently.

Joseph Stiglitz said that there were many shortcomings in CGE models. In particular it was important to use the right set of assumptions, to take into account unemployment, adjustment costs, and pre-existing distortions. Also changes in trade regimes affect country's exposure to risk.

It is important to consider the ‘redistributive effects’ of trade liberalization both within a country and across countries. Developed countries’ emphasis on strict IPR regime is a case in point where the redistributive effect is striking.

On the last point, Joseph Stiglitz noted that there might be scenarios in which trade liberalization reduces welfare when the costs of redistribution are taken into account. Trade liberalization leads to increased allocative efficiency but also creates factor price changes and can lead to inequality. The increase in inequality prompts governments to increase redistribution. Since the DWL of a tax is proportional to the square of its incidence, the redistributive policy may have a first order negative welfare effect, causing a net reduction in total welfare.

Andres Rodriguez Clare noted that it is always possible to overcome redistribution in principle by keeping consumption prices constant. In this case no one is made worse off by trade and the liberalization is Pareto superior. Joseph Stiglitz noted that this would require a full set of consumption taxes, which may not always be possible to implement.

Andres Rodriguez Clare noted a paper on the effects of trade on welfare through volatility: “Openness and Income Volatility” by Pravin Krishna, Tom Krebs, and William Maloney.

The discussion turned to the principle of **fairness** in the WTO agreements

Joseph Stiglitz noted that some concept of fairness should be built into the Doha negotiations. This principle should recognise that because of inherent differences among countries, any agreement that applies fairly or uniformly will still have large differential effects. Any agreement that differentially hurts developing countries more or benefits the developed countries more (the net gains measured as a percentage of GDP) should be viewed as ‘unfair’ – one needs to be careful in measuring these gains and losses.

On this point Andrew Charlton raised the issue of how ‘gains’ should be measured. For example, liberalization of the EU’s agriculture regulations would necessarily provide larger gains to the EU than to other countries, but this would not be normally characterized as being unfair.

Dani Rodrik suggested that this problem would be avoided if the gains from a proposal were defined as the benefits net of local efficiency gains. The policy would be ‘unfair’ if the remainder (largely welfare changes resulting from terms of trade) were distributed disproportionately to developed countries.

The discussion returned to the principle of **national sovereignty** and **policy space**.

Joseph Stiglitz suggested that a fourth and final principle of the Doha round should be that an agreement should, as much as possible, respect national sovereignty. He said there is no need to enforce ‘conformity’ among countries except when (i) actions of each country affect others, (ii) there are cross-border externalities, (iii) there are benefits to standardization and (iv) there are global ‘public goods’. He noted that the WTO should avoid trade agreements that intrude into national sovereignty (e.g. TRIPs or capital market liberalization) but do little to increase global welfare.

Andres Rodriguez Clare asked whether this principle recognized the value of the WTO as a commitment mechanism for governments who cannot otherwise commit to permanent policy reform. He suggested that this role for the WTO **militates** in favor of allowing agreements to intrude into national sovereignty.

Dani Rodrik suggested that there might also be a valuable political economy role for the WTO, in that it helps governments introduce policy changes with redistributive effects that would be domestically unpopular if unilaterally implemented. Multilateral agreements assist governments to ‘sell’ reform to special interests as a package in which their losses from some elements are traded off for gains in other areas.

Mauricio Cardenas noted that WTO agreements are also a mechanism to prevent policy reversal.

Joseph Stiglitz began a discussion of **investment incentive competition** by noting the Need for ‘International Rule of Law’ to prevent ‘beggar thy neighbor’ type of trade policies. There should be an international agreement to limit competition for foreign investment. International businesses unfairly benefit from competition among developing countries trying to attract investment

Andres Rodriguez Clare suggested that investment incentives should be available to developing countries as a tool of development.

Joseph Stiglitz noted that there was still a need to limit competition in cases where incentives were causing a prisoner’s dilemma outcome for developing countries and leading to a direct transfer from host governments to corporations.

The discussion turned to the issue of **non-reciprocity** and the rights and obligations of developed countries.

Joseph Stiglitz suggested that the Development Round of trade talks should be based on a principle of non-reciprocity centered on Europe's ‘Everything But Arms’ initiative.

Dani Rodrik noted that this principle should be tempered by a recognition that the North must also gain from trade liberalization agreements. If their interests are not included in the agenda, the WTO risks losing their participation. He suggested that the northern countries should be able to avail themselves of the same kind of flexibilities as those being proposed for developing countries under SDT. He suggested that it is better to have 'withdrawal' from proposals take place within the WTO framework, rather than adhering to a stricter regime which may cause developing countries to leave the process or commit their commitment to the agreements.

Joseph Stiglitz questioned the utility of providing withdrawal mechanisms to developed countries. He noted that this might create a 'slippery slope' by which developed countries use the provisions as loopholes to act contrary to the spirit of the agreements.

Dani Rodrik pointed out that the anti-dumping provisions have not been used in such a manner.

Kamal Malhotra suggested that more work needs to be done to set the criteria for exceptions. However, he supported the principle that decisions to opt-out should be respected if they are the result of democratic processes.

The discussion turned to the **priority issues** for the development round

Joseph Stiglitz noted that developed countries had been disadvantaged by previous rounds of trade negotiations which focused primarily on manufacturing – a sector of diminishing importance to the developed countries

Andrew Charlton noted that developing countries pay a higher 'effective rate' of tariffs because tariffs are highest in the goods of importance to them.

Joseph Stiglitz said that the elimination of agricultural subsidies in developed countries should be a priority for the WTO. In absence of that, the WTO should allow importing (developing) countries to impose countervailing duties to offset the adverse effect of subsidies.

Andres Rodriguez Clare queried the effectiveness of such a measure because importers benefit from subsidies in developed countries (prices are lower) and the duties would not be available to exporters.

Joseph Stiglitz said the proposal might be of use to some developing countries. He gave the example of Jamaica which imports milk but also has a domestic milk

industry. Jamaica should be given the choice to defend its domestic industry from a sudden fall in price caused by a large increase in the supply of US milk.

Dani Rodrik asked whether we should recognize a difference between a world price fall caused by foreign subsidies or by some foreign technological innovation.

Discussion turned to **NTBs and VERs**

Joseph Stiglitz said that non-tariff barriers, such as Voluntary Export Restraint (VER), have much greater adverse effect than those induced by tariff barriers. Fear of VER can adversely affect investment in a growing export sector and consequently impact development.

Kamal Malhotra noted that VERs are now illegal, but that similar mechanisms were used by the US in accession negotiations.

Discussion turned to the **dispute settlement system**.

Joseph Stiglitz noted that the WTO's dispute settlement system contained an inherent asymmetry because the consequences of the enforcement mechanism were much greater for smaller countries in disputes with big countries than vice versa.

Andres Rodriguez Clare noted that an alternative enforcement system might make retaliation rights tradeable.

Kamal Malhotra pointed out that the system was underutilized by LDCs. He suggested that this might be the result of US conditionality in other areas such as aid, or because LDCs did not have the resources to fight expensive cases.

Andrew Charlton suggested that the WTO might consider establishing a public prosecutor to bring cases on behalf of members.

The discussion turned to **TRIPS**.

Joseph Stiglitz suggested that the intellectual property regime must balance concerns about incentives for research with the costs of the inefficiencies associated with monopoly power. He said it must balance the interests of *some* producers of knowledge, with the interests of other producers of knowledge, of consumers, and of society more generally. The TRIPS agreement, especially in the area of pharmaceutical research, greatly undermines this balance. TRIPS should be amended to provide compulsory licensing of life-saving drugs or drugs that control diseases affecting public health.

K.S. Jomo noted the theory that US productivity growth in the 1990s had been the result of stronger enforcement of intellectual property rights in the second Reagan administration. This emphasizes the positive effect of TRIPS.

Joseph Stiglitz said the disparity between market price and the marginal cost of producing medicine can be viewed as tax, used to finance research. The poorest of the world are largely bearing this tax burden.

Dani Rodrik noted a paper he authored which showed the beneficial effects of TRIPS for developing countries. Lack of intellectual property rights led to a retardation of research in medical fields of specific interest to developing countries, such as tropical diseases.

Kamal Malhotra noted two problems with the current TRIPS debate. First there is too much focus on health resulting in a perception that the problem is largely resolved. Second the large issues of the development of science and technology in developing countries are being overlooked. He said that the 'TRIPS plus' agenda was an effective requirement for accession countries and was also being pushed by the US in bilateral agreements.

Discussion turned to **SDT** and **the Single Undertaking**.

Joseph Stiglitz said that less developed countries deserve special and differential treatment, both because they have been disadvantaged in the past, and because of the differences in their current circumstances. This will entail a movement away from the principles of reciprocity and bargaining, which have underlay most trade negotiations thus far.

Joseph Stiglitz suggested that generalized rules of differential treatment are preferred to an abandonment of the principle of 'Single Undertaking'. This would allow developing countries to selectively accept provisions of a trade agreement. In terms of SDT, developing countries should be given: (i) longer adjustment period, (ii) greater latitude for providing subsidies, especially for new technology, (iii) differential treatment in case developed countries retain non-tariff barriers.

Andres Rodriguez Clare suggested an alternative to the Single Undertaking. There could instead be two agendas. One, focused on standard market access provisions, could be subject to the SU, while another, which encompasses broader policy agreements such as the Singapore Issues, could be optional.

Joseph Stiglitz introduced three other issues of importance.

First, an anti-corruption policy: non-bribery agreements (e.g. America's Foreign Corrupt Practices Act) should be made part of an international agreement. There should be full disclosure of all payments made by foreign companies.

Second, there should be an anti-civil strife policy: trade agreements should aim at curbing trade in arms or in goods that facilitate and finance armed conflicts and insurgencies.

Finally, a pro-environment policy: global environmental concerns must be incorporated in new trade agreements. E.g. The Shrimp-turtle case.

Andres Rodriguez Clare pointed out that these policies were somewhat contrary to the spirit of the 'principle of conservatism' that had been suggested earlier in the discussion. These issues seemed to be outside the policy space appropriate for the WTO.

Akbar Noman said that bribery encourages trade diversion and thus was related to trade.

Joseph Stiglitz noted that these things are global public goods and no less relevant to trade than TRIPS and far more important for development. He said that by introducing these issues he was not suggesting that they should be in the policy space. Rather he wanted to point out that if peripheral issues, like government procurement, are to be included in an expanded the WTO mandate, then there are other policies with a larger development impact that should have priority.

Andres Rodriguez Clare accepted this point but said that larger agendas lead to a loss of focus for institutions like the WTO.

Jose Antonio Ocampo said that the WTO was a quasi-judicial body, which was not appropriate for the adjudication of judicial questions. He said that although trade sanctions provided a convenient instrument for enforcing rules governing global public goods, it was not appropriate to have sanctions enforced by the WTO when there are more legitimate international judicial institutions available.

Mauricio Cardenas said that trade sanctions were an inappropriate mechanism of enforcing some of these rules relating to corruption because sanctions are a blunt instrument. Their incidence is often much wider than the offending government, sometimes having a particularly harsh effect on the poorest people in offending states.

K.S. Jomo noted that the US doesn't ratify many ILO conventions. He said that the WTO should be appropriately focused in its mission and objectives to ensure ongoing participation.

The discussion turned to **what should not be on the agenda**.

Joseph Stiglitz said that capital market liberalization should not be on the Agenda because there is little evidence that it enhances economic growth. On the contrary, there is mounting evidence that full mobility of short-term capital (hot money) actually increases economic instability, hence hindering development.

Joseph Stiglitz also said that there is no need for an international agreement on investor's rights because if improving 'investor protection' attracts capital, then developing countries will do so on their own. He noted that the 'Development Round' should focus more on the "rights of labor" than on the "rights of capital."

The discussion turned to the **movement of natural persons**.

Joseph Stiglitz noted that the free movement of capital is far less important for global efficiency than free movement of unskilled labor suggesting that more effort should be put into GATS Mode 4.

Dani Rodrik agreed noting that in a standard trade model it shouldn't be necessary to achieve factor price equalization through movement of labor if capital flows freely. However if the level of technology differs across countries then wage rates will not be equalized without movement of labor.

Joseph Stiglitz noted that the impetus for temporary labor migration came from the stark empirical observation that there is a huge discrepancy between wages in poor and rich countries.

The discussion turned to **institutional reforms** within the WTO.

Joseph Stiglitz said that the increase in membership and growing demand for more inclusive bargaining process have made the current format of the WTO inadequate, if not ineffective.

He added that trade is too important to be left with trade ministers alone - negotiating team must include other national stakeholders too. In addition, the developed countries should continue the kind of support they have provided to help the developing countries participate more effectively in negotiations.

As mentioned in the first principle above, there is a need for an 'Independent Trade Assessment' body that would look objectively at the consequences of alternative trade proposals for all the countries of the world.

Discussion turned to the **meaning of the ‘Development Round’**.

Dani Rodrik said the Doha Round was labelled the ‘development round’ in the aftermath of Seattle and September 11th, 2001. However the actual agenda changed very little. He said that the change was mainly a marketing coup, by which agriculture was recast as a development issue. The consideration of agriculture became the apparent content of a development round. But since agriculture was already on the agenda before Seattle, very little of substance had changed.

Joseph Stiglitz said that the direction of the WTO was in fact anti-development since in the new issues of substance, such as the Singapore Issues, are promoting the interests of developed countries.

(iv) Commodity Prices

Jose Antonio Ocampo led a discussion of the impact of commodity terms of trade on development.

He said that any development round of trade negotiations should include an action plan for commodity prices.

The downward trend of commodity prices in the last 50 years has been particularly pernicious for developing countries, many of who are reliant on the export of a small number of commodities.

The policies of the Bretton Woods institutions have focused on increasing the productive capacity of developing countries and thereby contributed to a further decline in prices. Additionally, international moves toward free market policies have increased the volatility of commodity prices.

Jose Antonio Ocampo noted four issues that deserve particular attention: (i) tariff escalation in developed countries, (ii) financial mechanisms to increase management of commodities, (iii) export diversification in developing countries, (iv) Mechanisms to reduce supply such as export taxes.

Joseph Stiglitz asked what policy issues should be prioritized within the WTO to manage commodity prices or their effects in developing countries.

Jose Antonio Ocampo suggested that some actions to distort export markets to manage supply might be useful.

Dani Rodrik said that export subsidies for non-traditional products might be a useful means of encouraging export diversification. However these are now banned.

Kamal Malhotra said that tariff escalation on processed agricultural goods prevent diversification.

(v) Planning for a task force book

The discussion turned to the potential for a book to be produced by the task force. Joseph Stiglitz suggested that the group think about how such a book might usefully contribute to the debate.

Joseph Stiglitz said the book should be accessible but also serve as a useful reference for researchers. He considered the style to be similar to the JEP in terms of accessibility and similar to the JEL in terms of usefulness.

Joseph Stiglitz said that the book would distinguish itself from existing contributions by focusing on the development effects of trade issues rather than on the efficiency effects.

Joseph Stiglitz said the book could focus in part on the conditions under which trade is good for growth. For example, the effect of trade liberalization might depend on the level of unemployment.

Joseph Stiglitz said a second theme of the book could be the impact of trade policies on inequality.

Dani Rodrik suggested that the book could follow one of three models.

- (i) It could be a review of the evidence, in the mould of a non-technical handbook
- (ii) It could be a more focused volume looking at a small number of issues and taking a policy approach
- (iii) It could be a work advocating a number of policy proposals

Joseph Stiglitz and Dani Rodrik both said they were leaning towards the third option. Dani Rodrik said that it might be interesting to look at one specific WTO agreement and analyse its development impact in some detail.

Dani Rodrik said another approach would be to ask a number of people what they would do if they had carte blanche in the WTO.

K.S. Jomo said it would be useful to analyse the interaction of trade policy and development policy.

Joseph Stiglitz said it would be useful to take a number of issues and analyse them from a development perspective. He said it would be useful to present the policy, theory and evidence on each issue.

Joseph Stiglitz said this approach was consistent with what really matters in development policy. He noted that if the average tariff rate was, say 8 per cent, then the effect of multilateral liberalization on a developing country would be the same as the effect of an 8 per cent devaluation of the local currency. There were lots of natural experiments demonstrating that this would not have a large effect on the national development. Thus this suggested that the major effect of liberalization must come through ancillary effects, both good and bad. The focus of policy should be on ensuring that these effects promote development as much as possible.

This led to a discussion of a short list of issues that could be addressed in the book. Joseph Stiglitz said that it is important to focus on issues that will be with us for a long time, rather than dealing with the issues of the day. Current research fads would likely be irrelevant by the time the book was published.

Several issues were canvassed including:

- (i) TRIPS in the context of economic development
The focus here should be not just on the effect on medicine but also on the effects for science and technology more broadly. Specifically the ability of developing countries to gain technology by reverse engineering products.
- (ii) Impact of financial services liberalization on development
- (iii) Institutional bargaining issues
 - (a) Single Undertaking
 - (b) Procedural fairness
 - (c) Voting & representation
- (iv) Competition policy
Here the focus should be on competition policy issues of importance to developing countries. This might center on anti-trust issues. Such an approach would contrast with the existing approach to competition policy as embodied in the Singapore Issues.
- (v) Trade policies and development options
How do trade policies either expand or restrict the available development policies in poor countries.

Dani Rodrik said the current focus of policy research is on trade volumes because of the assumption that trade leads to growth. However he noted that trade should not be automatically associated with growth, and that trade is a means to an end and not an end in itself.

Joseph Stiglitz noted that this was the philosophy that had driven the success in South East Asia, where countries like Malaysia had used trade and export expansion in the context of a broader development strategy.

He said it was important to analyse the forces that drive growth. In his view this was an institutional setting which encouraged private sector development.

Dani Rodrik argued that in this context countries should be allowed to use the WTO to further their own objectives for growth rather than just the general objective to increase trade volumes. This meant recasting the role of the WTO away from being an institution that exchanges market access, and towards an institution which manages the interface of different national development agendas.

Dani Rodrik said the task force's book could look at how trade affects the drivers of growth. This would mean canvassing the different views about trade and growth and looking at the effects of different policies.

This led to a brainstorming session in which several possible topics were canvassed and potential authors names were discussed.

(vi) Conclusion and Next Steps

Joseph Stiglitz said that the task force should have another meeting in September. There was tentative agreement around the table that September would be a convenient time.

By September most of the papers should have been commissioned and the drafts should (in most cases) be available for consideration by the task force. The meeting would give the task force the opportunity to discuss the drafts and determine what the overall shape of the volume should look like.

It was agreed that the book should be compiled from signed contributions. Joseph Stiglitz said that there was no need for all the members of the task force to subscribe to the views presented in each chapter. Indeed in some cases it might be useful to source multiple contributions on a single issue from authors with different points of view. He said that the books were intended to be inclusive of different opinions. He noted that the Capital Markets task force were including a chapter presenting the IMF's view of capital market liberalization.

Shari Spiegel led a discussion about the appropriate way to move forward. She noted that different task forces had approached their books in different ways. She described the progress that has been made by several task forces. In response to a question she noted that there was a modest stipend available for contributors.

Joseph Stiglitz said that there was no formula for the production of the books and the final produce will differ between task forces.

The issue of the quality and reliability of contributors was raised. Joseph Stiglitz said that the books would be reviewed by Oxford University Press and this process would exclude papers that were not of sufficient standard. Shari Spiegel said that the experience so far in other task forces was that very few of the submissions were not of high quality.

It was agreed that the task force should consult to refine the list of possible chapters and identify the availability of potential authors.