





Dumping	<ul style="list-style-type: none"><li>▪ The U.S. and E.U. sell half of the world's wheat exports at prices <b>46% and 34% below the costs of production</b>, respectively.</li><li>▪ Subsidies make it possible for the E.U. to be the largest exporter of skimmed milk in the world because its producers sell abroad at <b>prices that are half the cost of production</b>.</li></ul>
International Regimes	<ul style="list-style-type: none"><li>▪ Gains received by developing countries from the <b>Doha Round</b> will be unequally distributed; China will likely receive the most benefits at 0.8-1.2% of its GDP.</li><li>▪ Under TRIPs, 96% of all <b>patent revenues</b> go to firms from developed countries.</li><li>▪ As restrictions on international trade and capital flows have been liberalized, <b>restrictions on global labor markets have increased</b>.</li><li>▪ <b>Differences in the price of labor in the global economy range from 500% to 1,000%</b>--reflecting the restrictions on labor mobility.</li><li>▪ Increasing <b>temporary migration</b> by approximately 3% of the workforce in high income countries would increase global welfare by more than \$150 billion annually, shared equally between people in the developed and developing countries.</li></ul>
Global Finance	<ul style="list-style-type: none"><li>▪ The probability that a country would experience a <b>financial crisis</b> in any given year increased from 5% in 1880–1913 to more than 12% from 1973–1997.</li><li>▪ <b>Developing countries were twice as likely</b> to suffer from a financial crisis—averaging one every 5.4 years.</li><li>▪ Output losses from financial crises were <b>47% greater in developing countries</b>.</li><li>▪ During the 1990s <b>consumption in developing countries was three times more volatile</b> than in industrial countries. Volatility was higher among the most internationally-integrated developing economies.</li><li>▪ The availability of <b>short-term debt, "herding," "momentum trading," and financial derivatives</b> magnify how global capital flows sow economic disruption in developing countries.</li><li>▪ Global financial markets effectively <b>transfer exchange rate risk from rich to poor countries</b> by requiring them to borrow in "hard" foreign currencies.</li><li>▪ From 1999–2001, while less than 1% of the international debt for the U.S., U.K., Japan, and Euro-currency countries was denominated in foreign currencies, <b>93% of all developing country debt</b> was in foreign currencies.</li><li>▪ <b>Developing countries' foreign reserves rose by \$633 billion in 2006</b>. Since 1997, the ratio of forex reserve to GDP for all developing countries has risen from under 10% to almost 25%.</li><li>▪ Large reserve holdings also impose costs as foreign reserves provide less return than investments for domestic development. Since 1980 <b>this cost has been close to 1% of developing countries' GDP</b>—or equal to the projected gains from a successful Doha Round of trade negotiations.</li></ul>

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