

The Presence of the World Trade Organization within Preferential Trade Agreements

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Introduction

Preferential trade agreements (PTAs) have become a universal phenomenon and continue to proliferate. In 2015 Mongolia signed a trade agreement with Japan, making it the last World Trade Organization (WTO) member to join the PTA bandwagon. Several hundred agreements have been signed since 1995 alone.¹ In addition, so-called new “mega-regionals” now have arrived on the scene. Last year saw the conclusion of negotiations on the Trans-Pacific Partnership (TPP), leading to an agreement of 12 Pacific-Rim states that account for 40% of world GDP. And in the not so distant future, the first significant transatlantic economic agreement between the United States and the European Union (Transatlantic Trade and Investment Partnership, TTIP) is likely to be concluded.

While various types of bilateral and plurilateral deals continue to shape global trade governance, and many new trade deals are under negotiation, the multilateral trading system has produced little in the past two decades. The relatively meager results communicated at the most recent WTO Ministerial Conference in December 2015 in Nairobi, Kenya, exemplifies once again the inability to advance multilateral trade rules through the WTO. Under the existing consensus decision-making rules, it now appears impossible to modify, update, or re-write new global trade rules, even in selected areas. Thus it has become conventional wisdom that WTO negotiations remain deadlocked (Elsig and Dupont 2012) and that progress can only be made through preferential trade deals.

This preference for PTAs over the WTO suggests that we are moving inexorably away from established multilateral rules. It is often argued that one important advantage of PTAs is the parties can agree on specific obligations that go beyond WTO rules, thereby establishing selective rules for PTA partners that suit their interests. This in turn may create a set of fragmented rules in international trade that are difficult to reconcile, thereby opening the door for forum-shopping between bilateral and multilateral venues. One of the most scathing analyses comes from Jagdish Bhagwati (2008: xii) who goes as far as to portray PTAs as “termites” that “are eating away at the multilateral trading system relentlessly and progressively.” Legal scholars also have lamented legal inconsistencies and their unfolding negative effects (*e.g.*, Pauwelyn 2003, Delimatsis 2011). Although these criticisms have raged

¹ www.designoftradeagreements.org.

for some time, we still lack systematic empirical evidence as to how PTA obligations lead to a fragmented trade system. We build on this fragmentation debate and offer a novel approach for addressing empirically the question of just how fragmented the system is, or is not.

In this paper, we provide much needed empirical insights into the surprising linkages between the WTO and this wave of seemingly-incompatible PTAs. We do so by working with the concept of “presence.” More precisely, we probe to see whether, and the extent to which, WTO law and WTO obligations have been incorporated into PTA treaties. We focus on two instruments within PTAs by which this might occur: 1) making explicit references to the WTO and various WTO commitments, 2) incorporating language from WTO agreements directly into PTAs. Moreover, because we observe significant variation in WTO presence across modern PTAs, we then develop and test several possible explanations for which PTAs have the greatest synergies with the WTO.

Overall we find that the WTO is highly present within contemporary PTAs. Nearly all PTAs engage the WTO repeatedly, with language referring to the “WTO” or “World Trade Organization,” explicit references to WTO agreements, and by copy-and-pasting language from relevant WTO agreements. Such behavior is both broad and deep, since the majority of sub-areas in a PTA engage the WTO in these ways and the average PTAs makes between 15 and 20 WTO-related references. Our novel method of text comparison also reveals that sizeable chunks of the language used in PTAs are copied verbatim from various WTO agreements. In some PTAs this means thousands of words, and can comprise half or even three-quarters of the language in some PTA articles. Making references to the WTO and copying WTO texts are not substitutes, but instead are positively correlated, suggesting that some trade negotiators are aware of the challenges posed by fragmentation and attempt to address those concerns directly within the PTAs by using multiple tools. In fact, large, active WTO member states are particularly likely to avoid fragmentation, even in their most recent PTAs, suggesting that many of the most prolific PTA signers remain more committed to the multilateral regime that is realized. Therefore, we find that the general critique of fragmentation (and effects thereof) is somewhat overstated.

Overall, our research speaks to at least three important debates in international relations. First, we provide new and surprising insights into how compatible WTO and PTAs

actually are. We do so using novel analytical techniques, which also can be used to compare (dis)similarity across and within other types of agreements. Second, our results provide a boost to those who emphasize the role of individuals in IR. We see a large role for negotiators and diplomats, who are the actors that make the tactical decisions about what goes into PTAs and who ensure that different treaties can be compatible and complementary. Finally, our research also sheds light on the overall effectiveness of the WTO's negotiated agreements, which are far more "present" in PTAs than has been realized. More generally, our findings suggest that the performance of IOs also must be assessed in terms of their "transfer" impact on other institutions and actors. In this respect, the current WTO performance looks brighter when also including its broader impact on PTAs.

Concerns about Regime Complexity

The international relations (IR) literature long has been concerned with questions of regime overlap and the ensuing and evolving complexity (Aggarwal 1998). An international regime complex has been defined as: "an array of partially overlapping and nonhierarchical institutions governing a particular issue-area" (Raustiala and Victor 2004: 279). The concept has been studied in different contexts and issue areas – and many different complexes have been identified (Alter and Meunier 2009). Likewise, although the move toward greater legalization in international relations on balance is portrayed as a positive development (Goldstein et al. 2000), such moves toward greater international law raise the probability of conflicting international legal obligations. Thus some have cautioned against having too powerful of a web of binding legal obligations (e.g., Goldstein and Martin 2000).

An important implication of regime complexity is that it could lead, somewhat paradoxically, to the return of power politics. The overriding concern is that a global legal system characterized by fragmentation could exacerbate power asymmetries and lead to a return of Hobbesian politics. Benvenisti and Downs, for instance, have observed that: "a fragmented legal order provides powerful states with much needed flexibility...the existence of multiple contesting institutions removes the need for them to commit themselves irrevocably to any given one. This helps them to manage risk, and it increases their already substantial bargaining power (2007: x)." Likewise, Drezner suggests that a world consisting of too many

institutions can lead to an overall weakening in the sense of legal obligation among states and increase the transaction costs of compliance (Drezner 2009: 66). The potential also exists for strategic forum-shopping, in which neighboring regimes and participants might be pitted against each other (*e.g.*, Drezner 2009, Benvenisti and Downs 2007). Taken further, states could create contradictory rules in different fora in order to undermine existing commitments made in other agreements (Raustiala and Victor 2004: 301).

Legal scholars also have grappled with the existence of potentially conflicting rules and the challenges this poses for international judges to interpret the law. This line of research laments a growing fragmentation of international law that produces important ambiguities resembling a “normative jungle” (Lindroos 2005) and generates diverging legal outcomes when different legal dispute settlement pathways are pursued (Koskenniemi 2006). This has led to a burgeoning literature on how to deal with conflicts arising from diverging legal obligations (*e.g.*, Pauwelyn 2003).

In sum, there exist many studies about the existence and effects of overlapping regimes, and a general sense that regimes have become fragmented and incoherent. Trade has become a focal point for the existing empirical studies of the phenomenon. Although the contemporary trading system is a primary focus (*e.g.*, Davis 2009), the debate actually goes back to the creation of the Bretton Woods system. Economists were the first ones to refer to negative effects as a result creating parallel trade institutions (*e.g.*, Custom Unions) that might undermine multilateral rules (Viner 1950). Therefore, the emphasis in economic studies long has been on trade flows – the potential for alternate trade institutions to have trade-creating and trade-diverting effects. Political scientists, alone or with co-authors from international law, have emphasized strategic decisions by states to use one venue over another in dispute settlement (Busch 2009) and to employ targeted attempts to weaken established law, either by opting for contradicting obligations in other venues (Raustiala and Victor 2004) or by watering down existing obligations that create legal uncertainty (Shaffer and Pollack 2013). Legal scholars primarily have been interested in the effects of alleged incompatible trade rules, pointing to the possibility of diverging legal commitments when joining multiple overlapping treaties.

In this paper we emphasize trade institutions as well, and study the PTA-WTO relationship in light of the impressive surge of new PTAs since the 1990s (Dür et al. 2014). Our empirical emphasis is on the amount of fragmentation in the post-Uruguay Round trading system, which we examine by looking for consistency between each PTA concluded since 1994 and the WTO. One motivation is that for many of the preceding concerns to be present, there needs to be evidence of fragmentation in the first place. For us there are a few reasons to be cautious about jumping to such a conclusion that the PTA world is in competition with WTO rules. One is because of the lack of cases that have been brought to the WTO in which the inconsistency of PTA law with WTO law was directly challenged. Likewise, a related reason is that we have witnessed few disputes where forum-shopping occurred – and these have been largely confined to NAFTA-WTO disputes (Busch 2009). In fact, examining more closely the design of dispute settlement provisions in PTAs suggests that negotiators anticipate states’ incentives to forum-shop and agree on specific rules in order to avoid such behavior. Nearly all PTAs have installed a so-called “fork in the road” provision that attempts to exclude forum-shopping in practice (Allee and Elsig 2015a).² For these reasons, we believe it is important to investigate systematically the degree to which PTA-WTO fragmentation exists.

How to Study PTA-WTO Fragmentation

There are various ways to think about how treaty commitments could be (in)compatible, focusing on the idea of fragmentation. Fragmentation could be defined as commitments that define the obligations of participating states differently. Thus, if states follow the prescription of treaty A they would be in violation of treaty B. However, if treaty A goes beyond existing obligations under treaty B, this in itself does not produce incoherence as long as the parties are not asked to engage in behavior that would contravene existing commitments. We assume that negotiators are aware of this possibility.

An empirical challenge is establishing the exact amount of fragmentation. Thus far, research has focused mainly on the few actual disputes where potential fragmentation between

² Such a standard clause allows members to use the PTA legal dispute settlement or the WTO legal system, but if one of the two is chosen, countries agree not to use the other option.

a PTA and the WTO is at issue; that is, when states file cases in different court-like fora. Yet there is a selection effect at work here, with a potential overemphasis on the few instances of possible incompatibility. Our approach is to step back to evaluate the relationship more generally. Therefore, we decide to study the degree of consistency between what is specified in PTAs and how it relates to WTO obligations. This is difficult to do directly, particularly across large numbers of lengthy treaties.

Our empirical strategy is to measure the degree to which the WTO is “present” within new-generation PTAs, which is defined as all PTAs signed after 1993, once the creation of the WTO was imminent and the details of various Uruguay Round agreements were known. We do this in two observable ways. First, we look to see whether the WTO is referenced explicitly within a PTA. This can occur across different issue areas, since PTAs address many of the same issues covered by WTO agreements, and can occur varying numbers of times within a PTA. Second, we conduct text analysis to see whether and how much of the text in a PTA is copied directly from the corresponding WTO agreement. We can think of reasons why these two types of WTO presence might function as alternative pathways for negotiators’ concerns about WTO consistency, but also reasons why they might function as complements. We return to this issue later. But first, we discuss in detail the logic and measurement of both halves of our empirical strategy.

First Approach – References in PTAs to the WTO

This first approach acknowledges and builds upon the fact that within international law, any new treaty can refer to a pre-existing treaty or legal document. There are several reasons to believe that PTAs could evoke the WTO: the multilateral regime is well-established over decades, most PTA signatories are WTO members, WTO dispute settlement has clarified many of the regime’s rules and obligations, and most trade negotiators are well-versed in WTO law. For PTAs negotiators, then, evoking the WTO is an omnipresent option. It can be done in the preamble and/or throughout the main text of the treaty. By explicitly referring to established WTO law, PTA drafters show that they are aware of linkages to the WTO, and that they want to outline the relationship of the PTA to the overarching and well-established multilateral regime.

As we discuss later, we have strong reasons to believe that nearly all references to the WTO are attempts to create synergies and avoid fragmentation.

The first way we measure references to the WTO is by utilizing manually-coded variables contained in the Design of Trade Agreements, or DESTA, data set on the universe of post-World War II PTAs (Dür et al. 2014). DESTA organizes variable collection by issue area, and in nine areas it contains a variable that codes whether the PTA makes an explicit reference to the prevailing WTO agreement in that area, with the agreements on Trade-Related Intellectual Property (TRIPs), the General Agreement on Trade in Services (GATS) and the Uruguay Round Agreement on Technical Barriers to Trade (TBT) constituting just a few illustrative examples. All in all, we examine nine such WTO reference variables from DESTA as a first-cut to identify whether PTAs typically engage the WTO.³ These variables code for references to the WTO across general services, public procurement, sanitary and phytosanitary measures (SPS), TBT, antidumping, safeguards, dispute settlement, intellectual property, and investment.⁴ We then can aggregate these nine issue-specific variables in multiple ways.

A second method automates the checking for WTO references through computerized or “machine” coding. The organization is quite similar to the first method, in that each PTA is first disaggregated by issue area. In this case, each PTA is subdivided into a slightly larger 12 areas, which include those DESTA areas noted above and adds financial services, telecommunications, and e-commerce. For each of these dozen areas, we utilize natural language processing techniques to parse PTAs at the sentence level for the presence of the “WTO” or “World Trade Organization.”⁵ Our parsing algorithm counts the number of times either of these terms is specified per document in each issue area, from which we also can compile data on how many areas include such references. Notably, we also use this same machine-coding approach to generate counts across the entire PTA of the total number of times the WTO is referenced, which is quite valuable as a summary measure. We also note that this second method is

³ DESTA also includes an additional variable on subsidies, to capture whether a PTAs explicitly refers to GATT/WTO agreements on subsidies or countervailing duties. However, we omit this from our comparisons due to the broad nature of this variable.

⁴ For precise details, see the DESTA codebook (www.designoftradeagreements.org)

⁵ The parsing algorithm was written in R and uses regular expression patterns to extract “WTO” references.

perhaps more comprehensive, in that the WTO reference can be general or specific, and does not necessarily have to be tied to a specific WTO agreement.

We are confident that in nearly all cases, the WTO-reference variables described above indicate closer alignment with the WTO, and thus less fragmentation, and are not negative references that contract or undermine multilateral rules. We assert this for several reasons. First, in our manual inspection of PTA language, we rarely encounter instances in which PTA negotiators specifically insert language that a new PTA obligation will override or conflict with a WTO obligation. Instead, consistency with WTO obligations is the primary theme. Second, we conduct an analysis using the “tm” package in R that computes correlations between words in a corpus of documents. This allows us to isolate the words that are most commonly associated with the terms “WTO” or “World Trade Organization” across all post-1993 PTAs.⁶ Words that indicate positive and deferential associations, such as “obligations,” “conformity,” “consistent,” “requirements,” and “accordance” are among the words most strongly associated with the “WTO” in PTAs. Instructively, these words all connote compatibility between the PTA and the WTO and thus indicate less fragmentation. Third, we also conduct a micro-analysis in which we further unpack the “1s” for the DESTA WTO-reference variable on intellectual property rights. We coded further what exactly the reference specified, and note that within our inductive coding scheme there are no categories for negative references. Instead, the most common type of reference is that PTA parties “affirm their rights and obligations” under TRIPs, followed by statements that any exceptions to treatment of intellectual property should be “in line with TRIPs” and that there should be “no derogation from TRIPs” (see Allee and Elsig 2015b).

⁶ Using the TM package in R we preprocessed the corpus of PTAs by removing common English stopwords, punctuation, numbers, and PTA-specific terms like “article” and “chapter.” Additionally, regular expressions were used to combine “World Trade Organization” and “WTO” to ensure that references were not undercounted. Next, we constructed a 292 x 35754 term-document matrix with documents as the rows and words as the columns. We then used the “findAssocs” command in TM, which computes the correlation between a specified word, “WTO” in our case, at a specified correlation level, which we set at .75. This returns a vector of words that correlate with WTO at .75 level in the document term matrix. See Feinerer et al., 2008 for a detailed description of TM and the findAssocs command.

Second Approach – Copying-and-Pasting WTO text into PTAs

For our second approach, we consider the possibility that PTA negotiators might directly utilize the exact same language that is found in notable WTO agreements. That is, they might copy and paste language verbatim from the WTO. This represents another way that PTA negotiators might ensure that PTAs are consistent with WTO rules. With respect to lifting WTO language directly, we suspect that most trade negotiators are well-informed and thus doing this deliberately, to guard against inconsistency and fragmentation.⁷

To carry out this second method, we once again subdivide the PTAs according to issues – this time identifying eleven important and distinct trade issues on which the WTO has a specific agreement. This captures the fact that each WTO agreement could serve as a template from which text is copied-and-pasted into the corresponding sections of PTAs.⁸ In this instance, the proper identification of a specific WTO agreement and its precise contents is paramount because it serves as a template, or baseline, to which the corresponding contents of subsequent (post-1993) PTAs is compared. Accordingly, for each English-language PTA, we then extract the PTA text that addresses each of these eleven areas for comparison to each parallel WTO agreement.⁹ Table 1 lists the eleven issue areas we analyze, along with the corresponding WTO agreements.

[Table 1 here]

Once the appropriate WTO agreements and PTA texts have been identified, we proceed to systematically compare how much of the WTO language has been appropriated directly into each PTA. First we standardize the texts of all agreements to prepare them for analysis. Since nearly all PTA texts (and WTO agreements) are in .pdf format, we first convert those texts to Microsoft Word before ultimately converting them to plain text format.¹⁰ To analyze the

⁷ By contrast, in related work we uncover evidence that many low-capacity governments copy-and-paste from others' PTAs for less strategic, and perhaps less conscious, reasons, see Allee and Elsig 2015c.

⁸ Note that a PTA might not include language on all eleven issues.

⁹ For most trade issues, and for the overwhelming majority of PTAs, the relevant information is clearly delineated and contained in one (or more) articles in the PTA. Nevertheless, for situations in which the relevant information on a trade topic is spread across articles or found in multiple places in the PTA, we develop a set of detailed coding rules for compiling all of the relevant PTA text on that issue. These coding guidelines are available from the authors by request.

¹⁰ In a handful of situations a treaty text was damaged and we could not repair it or identify an undamaged alternative.

amount of text in each PTA sub-section that matches language in a corresponding WTO agreement, we utilize WCopyfind 4.1.4 (Bloomfield 2014), a windows based program that detects similarities across documents. The software can be programmed so that the user can specify the length of word strings that constitutes a match across documents. WCopyfind has been used effectively in several other social-science applications (see Ehsbaugh-Soha 2013; Grimmer 2010; Corley, Collins, and Calvin 2011). It is a particularly good fit for our needs, since it allows us to compare a set of texts (PTAs) to a benchmark text (WTO agreement) efficiently and systematically.¹¹ Following convention in other social science studies, we require six consecutive words to constitute a “match” between WTO text and PTA text, which is also the recommended setting. Furthermore, we require the match to be “perfect” as compared to allowing minor deviations to account for editing, since an exact match is most indicative of direct copy-and-pasting (as opposed to paraphrasing) and constitutes the toughest possible standard for determining possible borrowing of language.

Empirical Findings for the Presence of the WTO in PTAs

Overall we find surprisingly strong support for the general proposition that the WTO is present in modern-generation PTAs, defined as those signed in 1994 or later. As we detail in the following section, PTA negotiators systematically include both references to the WTO in PTAs (Table 2-5), and also copy-and-paste text from relevant WTO agreements (Table 6). Moreover, WTO references and borrowing from WTO agreements tend to go hand-in-hand (Table 7). Nevertheless, we also observe significant variations across PTAs and across issue areas - an issue that we explore at the end of this paper.

Findings for References to the WTO

As a starting point, we first examine whether post-Uruguay Round PTAs make any reference at all to the WTO, an admittedly low threshold. The answer returned using both manual and machine coding is a resounding yes, and the few anomalies are fairly easy to explain. Note that according to the previously-described DESTA codings, which examine

¹¹ Again, we consider only PTAs signed in 1994 or later, to further ensure the directionality of any copy-and-pasting.

whether PTAs reference certain WTO agreements across nine issue areas, more than 85% of PTAs make at least some reference to the WTO across these areas (see Table 2). When we explore PTAs for WTO references using automated text coding, this percentage rises even higher, to 90% of PTAs.

[Table 2 here]

A few comments are in order regarding the differences between the manual and machine-coding percentages, as well as the fact that not all post-Uruguay Round PTAs mention the WTO. The two coding methods rely on slightly different samples, with a lower N for the machine-coding sample due to it being comprised solely of English-language PTAs. One initial explanation is not just that English-language countries might reference the WTO more consistently; rather, non-English-language PTAs also available in English might somehow be more closely engaged with the WTO, for one or more reasons. Furthermore, some quick exploration reveals that among the 10-15% of PTAs that do not reference the WTO, a sizeable majority occur among countries where at least one signatory is not a WTO member. Thus it is neither bound by WTO rules and obligations, nor is it necessarily familiar with them. Thus the small percentage of PTAs that never reference the WTO have a fairly straightforward explanation.

But among the overwhelming majority of PTAs that do reference the WTO, the references are both frequent as well as widespread. Put differently, once a PTA engages the WTO in some way, it tends to include many references across many issue areas. To arrive at these conclusions, we next generate counts of the number of times a PTA mentions the WTO - performing automated counts on the post-Uruguay Round, English-language PTAs. These are summarized in Table 3. Across all PTAs, including those that never reference the WTO, the average number of times the WTO is mentioned is just over 17. If we look only among the 90% of PTAs in that sample that reference the WTO at least once, the average climbs to 19 mentions per PTA. Several of the more comprehensive PTAs mention the WTO at least 50 times, with 65 being the highest number of references in any one agreement. Thus references to the WTO in PTAs, which are indicative of closer ties and greater consistency, are quite numerous.

[Table 3 here]

References to the WTO are not only frequent, but also broad. Many PTAs reference the parallel WTO agreement across six, seven, eight, or even more issue areas. Sometimes all major articles or sections of a PTA will reference the relevant WTO agreement. It becomes difficult to compare PTAs by how broadly they mention the WTO, since PTAs vary in terms of the number of articles they contain, including the number that potentially link to a WTO agreement. Therefore, for each PTA, we identify the number of WTO-relevant issues the agreement contains, and measure the percentage of those issue areas in which the WTO is referenced. One might think of this as the “breadth” of each PTA’s engagement with the WTO. Table 4 depicts for each PTA the percentage of relevant areas that contain a WTO reference. Most PTAs reference the WTO for a majority of issues where such a reference is possible. The modal category for possible WTO references is the 50-59.9% one, followed by 60-69.9% and 70-79.9%. A further 35 PTAs reference the WTO in more than four-fifths of the areas for which such a reference is plausible.

[Table 4 here]

The above discussion of the breadth of WTO references also suggests that the propensity of PTA members to reference the WTO will vary from one issue area to the next. Therefore, we next explore variation in WTO references across the core issue areas in PTAs. The summary data are depicted in Table 5 below. A first pattern is that for seven of the nine areas, a majority of PTAs reference the parallel WTO agreement. Across most issues, then, evoking the WTO is relatively standard. The averages presented earlier (in Table 3) likely were dragged down significantly by investment, where only 4% of PTAs make reference to the relatively un-prominent TRIMs agreement. In fact, for some issue areas, such as antidumping and general services, referencing the WTO agreement or standards is nearly universal. On the whole, in four of the nine issue areas, three-quarters of more of PTAs make one or more references to the WTO. Often there are many references made within an issue area. From top-to-bottom in Table 5, one can see that certain PTAs refer to the WTO seven, eight, or nine times. The maximum for any given issue area is 13 WTO mentions, related to technical barriers to trade (TBTs). A general conclusion is that references to the WTO vary not only across issue areas, but from one PTA to the next. Some PTAs contain a much stronger “presence” for the WTO in terms

of positive references to the multilateral regime – an issue that we explore at the end of the paper.

[Table 5 here]

In terms of why the WTO is more present in some issue areas than others, we offer a few conjectures. First, PTA negotiators are probably more likely to be deferential to the WTO in areas where the multilateral rules are well-established. Anti-dumping is the best example of this, since AD has been included in the regime since the GATT was signed, has been updated twice in major GATT/WTO agreements (Tokyo and Uruguay rounds), and been widely applied in practice and litigated through the DSU. By contrast, a second pattern is that PTAs might evoke the WTO in newer areas that are less well-established, but that the WTO has addressed. Thus WTO agreements on issues like SPS and TBTs serve as a focal point for PTA negotiators. Finally, investment clearly is an outlier at the bottom end. We believe this is due to the relative insignificance of TRIMs, coupled with the prominence of alternate institutional arrangement, namely bilateral investment treaties (BITs). In the realm of investment, the WTO is not “where the action is” and thus PTA negotiators have little reason to evoke it.

Empirical Findings for Copying-and-Pasting of WTO Text in PTAs

Next we turn to the findings for our other indicator of WTO presence in PTAs – the amount of text lifted from a parallel WTO agreement and inserted directly into the text of PTAs. Once again, we find a significant presence for the WTO – this time in the form of its agreement language – in PTAs. Before discussing the findings in detail, we emphasize that *ex ante* one might not expect PTAs to be copy-and-pasting any language whatsoever from WTO agreements. PTAs are unique and preferential agreements – by definition they are efforts by selected parties to seemingly move in new trade policy direction. We would expect their contents to be uniquely crafted by their two or more members. If they are going to re-purpose any agreement language, we would expect them to copy-and-paste from their own, previous PTAs (Allee and Elsig 2015c). But instead, we find that sizeable portions of PTAs are drawn directly from pre-existing WTO agreements. As Table 6 shows, some sections of PTAs borrow a majority of their text – verbatim – from a parallel WTO agreement. Hundreds more copy-and-paste smaller, but still sizeable, portions of their text from WTO documents.

[Table 6 here]

The final two columns in Table 6, which illustrate the most rampant copy-and-pasting of WTO text, are very revealing. Looking at the maximum values shows us that for six different issue areas, which correspond to six different WTO agreements, there is a PTA that copies a majority of its language in that area from the parallel WTO agreement. That is, half, or even three-quarters of a multi-page PTA section is lifted directly from a relevant WTO agreement. Our methodology, which requires exact matches and a significant number of words to constitute a match, ensures that these numbers are valid, and likely somewhat conservative. The amounts of text that are being copied-and-pasted are large, too. Table 6 shows that thousands of words are sometimes copied, with one PTA taking more than 6,000 words of its procurement section directly from the WTO Agreement on Public Procurement. We find these numbers to be quite striking, and to illustrate an important and underappreciated way that PTAs maintain consistency with the WTO and avoid possible fragmentation.

Even beyond the most striking examples at the high end of the distribution, we find hundreds of PTAs that incorporate major amounts of language from a WTO agreement in their various sub-sections. More than 200 PTA chapters copy-paste a quarter or more of their agreement language directly from the parallel WTO agreement. Across eight different issue areas, at least 10 PTAs copy at least this same amount, and often more. Looking solely at the chapters on services in PTAs, we see that 69 PTAs copy 25% or more of their language – more than 1,000 words – from the WTO’s General Agreement on Trade in Services (GATS).

We also observe variation across issue areas in terms of copy-pasting from the WTO – in ways that appear to mirror what we saw for making explicit references to the WTO. In newer trade areas we once again witness a pattern where the WTO agreement is the focal point – this time as a source or template for PTA language. Table 6 shows that areas like SPS and TBT are those where the WTO is present in PTAs, this time through appropriation of the multilateral agreement’s language. Our text-based analyses in this section also add telecommunications, and this new area is another one where PTA members regularly borrow text verbatim from the WTO – this time from the organization’s 1996 Telecommunications Reference Paper and Annex. At the same time, copy-and-pasting also occur in the more established areas like antidumping, where more than 30 PTAs copy a large amount of text from the WTO Agreement on Article VI

and its implementation. Finally, another recurring pattern is that the WTO has a nearly non-existent presence in the investment chapters of PTAs. Table 6 shows that virtually no text from the TRIMs agreement is copied into the investment chapters of PTAs.¹²

It certainly appears as if the issue-area patterns for making references to the WTO and copying WTO text are similar – yet more systematic comparison would be desirable. Recall earlier that we conjectured that for PTA negotiators, WTO referencing and WTO text-copying could serve as alternatives, or as complements. Thus far they appear to be reinforcing. To verify that this is the case, we systematically compare our empirical indicators for WTO references to those for WTO text-copying. For each issue area in which we have both types of data, we examine bivariate correlations for whether the relevant chapter in a PTA has a WTO reference and the number of words in the chapter that are copied directly from the parallel WTO agreement. The results are in Table 7. Note that the correlations generally are positive, as expected, and not a single one is negative, which is somewhat surprising. Many of the positive correlations are quite large – with four of them over +.5. Table 7 thus provides more systematic evidence that the two tools of potential WTO presence – references and text-copying – are reinforcing. It appears that PTA negotiators use both in tandem when they want to maintain some consistency with existing WTO rules and obligations.

Which PTAs have the Greatest WTO Presence and Why?

Because sizeable but varying amounts of WTO presence have been uncovered, the question now turns to which PTAs exhibit the largest WTO presence, whether with regard to references to the WTO or the use of actual language from a WTO agreement. We offer some initial, informed conjectures and then follow-up with some preliminary multivariate analyses.

Conjectures

In the remainder of the paper we consider several possible explanations for varying levels of WTO presence in some PTAs as compared to others, and estimate several multiple regression models to evaluate these explanations. Before outlining our conjectures, we briefly

¹² The very low numbers for investment also validate our approach to text matching by showing that the match parameters do not produce false matches or inflate the amount of text overlap.

discuss our sample and the precise outcomes we are trying to explain. Once again, our empirical domain is the population of all PTAs signed worldwide between 1994 and 2014. Most of our regression models are estimated on 260 such cases, with a few models having slightly smaller Ns due to small amounts of missing data on explanatory variables. We analyze two distinct but related dependent variables for the “presence” of the WTO in PTAs. Following earlier analyses, the first captures the total number of times the word “WTO” or “World Trade Organization” is mentioned in each PTA. The distribution for this WTO-reference dependent variable is depicted in Table 8a. Our second dependent variable captures the percentage of PTA text that is copied-and-pasted verbatim from relevant WTO agreements. To create this measure, we take the average percent copied across all chapters in the PTA where a parallel WTO agreement exists (refer back to Table 1). Table 8b illustrates the distribution of this second dependent variable. From the discussion in the previous section we know these two outcomes are positively correlated, yet we believe it is useful to consider them separately to identify both consistencies as well as any minor differences.

[Tables 8a and 8b here]

The starting point for explaining PTAs with a stronger WTO presence (of either type) is that some countries have a stronger attachment to the WTO. Thus their negotiators will prefer, and include in the PTA, stronger ties to WTO obligations that will maintain greater consistency and attempt to avoid fragmentation. These countries may have more invested in the WTO, or may have high levels of trust or confidence in the WTO regime. Therefore, we consider five related-but-distinct indicators of the PTA members’ past experiences with the multilateral trade regime, and include each one-at-a-time in our regression models.

The first two such indicators reflect a country’s long-term investment in the WTO regime. Countries that have been members of the GATT/WTO regime the longest should have both the closest attachment to the organization as well as the greatest knowledge about all of its past agreements, including what the obligations entail and how they have been interpreted and applied over time. Therefore, we expect PTA members who have been members of the GATT or WTO the longest to include a stronger WTO presence in their PTAs. To create our operational variable for *duration of WTO membership*, we create counters for the number of years since each PTA signatory joined the GATT or WTO. Then, for consistency and unless noted

otherwise, for this and other similar variables we take the average value among all members of the PTA, whether the PTA is bilateral or plurilateral.¹³ As a second measure of countries' investment in the WTO regime, we look at the amount of resources they devote to WTO-related affairs in Geneva. Governments that have committed numerous staff to multilateral trade affairs have sunk greater costs into the WTO are expected to have both greater knowledge of the regime and a larger stake in maintaining consistency with it. Therefore, as a second indicator of PTA members' attachment to the WTO, we collect data on the number of staff stationed in Geneva.¹⁴ The final indicator for this *WTO Mission Size* indicator takes the average value among both/all PTA members.

The next three indicators capture a PTA member's involvement before the WTO's dispute settlement body, which is perhaps the regime's most notable contribution. We examine behavior in dispute settlement because it demonstrates a government's legal approach to the existing multilateral system. Governments have many outside, informal, or bilateral options for dealing with trade conflicts, but opting into legal dispute settlement at the WTO (or the GATT, particularly since 1989) demonstrates a firmer commitment to the efficacy and importance of the regime. In addition, being involved in legal disputes increases a government's interest in achieving consistency in legal obligations, which they can do in PTAs by making references to WTO law and incorporating WTO texts. A first indicator captures the number of times a country has been a formal complainant in WTO disputes during the past five years.¹⁵ This *WTO disputes as complainant* variable captures the aforementioned logic directly, since aggrieved WTO members have many options for how they want to pursue an allegedly WTO-inconsistent trade measure. Complainants who on average have a high success rate in winning cases have therefore a strong interest in incorporating WTO law (and therefore WTO case law interpretation) into PTAs. A second indicator captures the number of times (in the past five years) a country has decided to join others' WTO disputes as a third party. This *WTO disputes as third party* indicator is useful because opting into a WTO dispute as a third party is purely optional, and reflects strong interest in the regime's workings overall and a more vested

¹³ Approximately two-thirds (66%) of the PTAs negotiated during this time period are between two members.

¹⁴ Mission size is coded from the WTO's official blue books, which are yearly telephone books that list since 1982 the names of trade diplomats and chief administrative staff per WTO member.

¹⁵ We look at the year when the dispute (request for consultations) was first filed at the WTO, and start the five-year backwards-lag with the year preceding the year in which the PTA in question was signed.

interest in trade multilateralism. In particular, states that are less powerful but supportive of the evolving legal system may opt for third party participation. As previously, we look at third-party participation over the previous five years, and take the average value among the PTA's two or more members. Finally, as a summary measure, we include a variable that reflects *all WTO dispute participation* (complainant, respondent, third party) by a PTA member during the previous five years.

Building on the previous discussion, we also consider the possibility that some PTA members might have a stronger general commitment to multilateralism, beyond just trade multilateralism. Therefore, even if they decide to pursue a PTA, they should be more aware of any possible tensions with the WTO and seek to include a stronger WTO presence in the PTA in order to continue to advance multilateralism. To investigate this possibility, we examine each PTA member's total number of memberships in inter-governmental organizations (IGOs) – and once again take the average among the PTA membership. Data on IGO memberships is taken from the Correlates of War Intergovernmental Organizations (v2.3) dataset (Pevehouse et al. 2004).

The strongest counter-logic to the above is that some states have simply abandoned trade multilateralism – and their pursuit of PTAs reflects this. The point of view is reflected in much of the criticism noted at the outset of the paper, which portrays PTAs and the WTO as opposites and competitors. PTAs, as this conventional wisdom goes, are a threat to the WTO regime and are undermining, if not destroying, it. States make an either-or decision, and those that have “gone the preferential route” should have little interest in maintaining a presence in their PTAs for the WTO, which they have begun to abandon.

Therefore, we create and insert two indicators to capture that some actors are more aggressively pursuing bilateralism and plurilateralism – and thus should be expected to include weak WTO presence in PTAs. The first tallies the number of PTAs that each country has signed in the previous five years (t-1 through t-5). This reflects their recent trends toward bilateralism vs. multilateralism, yet the window is long enough to acknowledge that it may take several years to negotiate a PTA. As before, our operational indicator takes the average *number of PTAs signed* (in the last five years) by all members of the agreement in question. Likewise, the signing of more than 3,000 bilateral investment treaties (BITs) since 1960 reflects the dramatic move

toward bilateralism in the realm of foreign direct investment (FDI). Although there have been attempt toward multilateral regulation of FDI, including through the WTO, BITs have become the dominant vehicle for governments to specify the terms of global investment. Those states that have been most prolific in signing BITs, then, have demonstrated a preference for preferentialism over multilateralism. Thus they too should be expected to include a weak WTO presence in their PTAs. Once again, we include an indicator of the *number of BITs signed by* PTA members during the last five years.

We also include several variables that capture the economic characteristics of the PTA members, which might also affect their propensity to include a strong versus weak WTO presence in their agreement. One such indicator is for the trade dependence of PTA members. We postulate that for states that are highly trade dependent overall, they may be keen to keep a stronger multilateral presence in any PTAs due to their need to maintain widespread access to global markets. In keeping with this logic, we employ data on PTA members' exports as a percent of GDP and include the average value of their *trade dependence* in our regressions. That being said, we also expect that PTAs among members with greater collective market size might be less dependent on trade multilateralism. Thus, PTAs that carve out greater internal markets should include less of a WTO presence. We look at the *total GDP of all PTA members*, and in this case take the sum of all PTA members' annual GDP (in constant US dollars, with a one-year lag)

A final, and particularly interesting, variable that might affect the amount of WTO presence in a PTA is whether the PTA includes a major trading state. On balance, one might think that PTAs being driven by major global players should include less of a WTO presence. As the logic goes, these states are carving out their own path in the face of continued WTO stagnation. They are in competition with one another for greater market access and to seemingly re-write the future rules for global trade. They are leaving the WTO behind, and thus their PTAs should have fewer references to the WTO and little-to-no WTO text. Therefore, to test this argument, we include a variable that captures the *GDP of the largest PTA member* (in constant US dollars, with a one-year lag).

A couple of control variables are worth noting. In all models estimated we include a variable that counts the year (between 1994-2014) in which the PTA is signed, to capture any

possible time trends. We would expect the WTO's presence in PTAs to go down over time, given continued WTO stagnation and increasing emphasis on PTAs over these two decades. In the first set of estimations, where total references to the WTO is the dependent variable, we also include a control for the total number of words in the PTA, to capture the fact that lengthier agreements on average should include more WTO references.¹⁶

Findings

We now turn to some preliminary regression findings for the above conjectures, which are presented in Tables 9 and 10 below. Note that the results in Table 9, for the count of the number of WTO references, are arrived at using negative binomial estimation.¹⁷ The results in Table 10, for the percent of text copied from the WTO, are generated using ordinary least squares (OLS). In all cases we estimate robust standard errors. The results across the two tables are striking – in ways both expected and unexpected – and have what we believe to be important policy implications. Due to space constraints and the preliminary nature of the analyses, we highlight only the most notable findings.

[Table 9 and 10 here]

On balance, we find that PTA members that have some type of closer attachment or past engagement with the WTO are more likely to include a stronger WTO presence in their PTAs. In the aggregate, six of the ten coefficient estimates across Table 9 and 10 are positive and statistically significant at conventional levels. The results are slightly different for the two different WTO-presence dependent variables. Long-time WTO members seem to include both more WTO references in their PTAs as well as more WTO text; the duration of WTO membership variable is positive and statistically significant in both Tables 9 and 10. Countries with larger WTO delegations are much more likely to include WTO-agreement text in their PTAs. They also seem more likely to reference the WTO, although this relationship falls just short of conventional statistical significance.

¹⁶ We do not include this control in the second set of regression results, where the dependent variable is the percentage of text taken from the WTO, which is already somewhat standardized.

¹⁷ The negative binomial regression (NBREG) is most appropriate for our count variable given that the conditional variance exceeds the conditional mean (see Long and Freese 2013). Furthermore, a post-regression likelihood test suggests that the alpha parameter is non-zero.

We also find that countries that have participated more frequently in WTO dispute settlement are more likely to include a strong presence for the WTO in their PTAs. The findings are mirror images across the two tables. Table 10 shows that PTA members that are most likely to include WTO text in their PTAs are those that have participated most broadly in WTO dispute settlement. Both third party participation, as well as overall participation, are strong, positive predictors of WTO text-copying. In terms of WTO references in PTAs (Table 9), it is countries that have been most active as litigants (complainants in the past 5 years) that are more likely to include this type of WTO presence in their PTAs. One conjecture is that third party participation is a lower-cost form of dispute settlement involvement more accessible to developing countries, who also are the ones most likely to copy PTA text as a shortcut more generally (Allee and Elsig 2015a). Referencing the WTO, however, requires more legal expertise, which may be more common among frequent WTO complainants.

Likewise, we also find that PTA members with a more multilateral orientation tend to include a strong WTO presence in their PTAs. This is true for both references to the WTO as well as utilizing text from WTO agreements. In fact, this *IGO membership* variable is positive and statistically significant across eight of the ten models in Tables 9 and 10. Therefore, we see strong overall evidence that PTA signatories that are more globally engaged, at the WTO and elsewhere, embed WTO law into their PTAs. Future work will attempt to explain more fully what is behind these patterns. Clearly some actors have a greater stake in the WTO, which carries over into their PTAs. It remains to be seen whether this is due to greater “investment in” the WTO, a greater “affinity” for it, or to one’s “national interest” being well-represented within the current WTO regime.

Perhaps the most surprising result is that states that have most aggressively pursued preferentialism (via PTAs and BITs) do not abandon their WTO obligations within the PTAs they sign. If anything, the results suggest the opposite. Although they never reach conventional levels of statistical significance, across Tables 9 and 10 the coefficients on the five-year *PTAs signed* and *BIT signed* variables are almost always positively signed. Regardless, we find the lack of negative, statistically significant relationships to be a profound and important finding. Drawing upon the conventional wisdom, we expected countries that have been most prolific in moving toward preferentialism to have less WTO presence in their PTAs. Instead, these

countries almost seem more inclined to maintain links to the WTO in their PTAs. Why are they not losing sight of the WTO, even as they pursue preferentialism? We assume from their prolific activity that these are countries that want to push trade (and investment) cooperation further. Right now, this simply is not possible via the WTO channel, and thus they have looked for willing PTA partners. But in doing so, they continue to show support for trade multilateralism by keeping a strong WTO presence in any PTAs they negotiate.

Another surprising finding provides additional evidence to the account that is emerging. We find that large countries actually include a stronger, not weaker, WTO presence in their PTAs. Across nearly all models in Tables 9-10, the *GDP of the largest PTA member* variable is positive and statistically significant, often at the 99% level of confidence. Thus the major trading states continue to maintain strong links to the multilateral regime in their PTAs. We view this as evidence of competitive liberalization, but within the context of the multilateral trading system. Sure, the largest states are pursuing preferentialism in the form of PTAs, and the search for partners and move toward mega-regionals has a competitive undercurrent. Yet while doing all of this, the major economies are maintaining strong ties to the WTO within their PTAs, which should help to avoid fragmentation.

We also uncover strong, robust support for the other economic arguments. Trade-dependent countries do indeed maintain a stronger WTO presence in their PTAs. Across all ten models in Table 9-10, the variable for export dependence of the PTA members is positive and statistically significant. Likewise, we find strong support for the idea that PTA market size is inversely related to WTO presence. Across all models, those PTAs with the largest aggregate GDP specify fewer links to the WTO. Thus the overall economic position of the PTA members collectively appears to be an important determinant.

Although the final finding is for a control variable, it is noteworthy. Our time trend variable, for the year in which the PTA was signed, is actually positive in all ten models and not negative. Thus it appears that PTA members are specifying a greater, not lesser, presence for the WTO over time. This could signify greater coherence and possible convergence in trade rules. It also provides additional evidence that contradicts this notion of trade fragmentation. This finding strongly suggests that while countries are increasingly pursuing preferential dealings they are doing so in a manner that is deferential to established WTO rules.

Conclusion and Next Steps

Our goal in this paper has been to contribute some much-needed empirical insights into the debates on global regime complexity and possible legal fragmentation – with the relationship between PTAs and the WTO being our central focus. We believe we have done so, using methods that are novel, insightful, and robust.

An overarching take-away point is that the growing nexus of PTAs might not be as incompatible with longer-standing WTO rules as many have suspected. We believe the fragmentation and forum-shopping discussions are a bit too selective and alarmist. We examine comprehensively the source of trade law in both the multilateral and plurilateral context – the actual agreements – and find far greater synergies than expected. Nearly all PTAs engage the WTO with explicit, positive references, and most do so across a majority of chapters and more than twenty times. We also uncover a surprising amount of direct incorporation of WTO legal obligations. More than 200 PTA chapters copy more than half of their text directly from a parallel WTO agreement, which we find to be truly striking. Taken together, our two-pronged approach to examining WTO “presence” shows that PTAs are much more closely aligned with the WTO than is realized.

A second general contribution has been to explore in some preliminary ways the PTAs and actors that include the greatest WTO presence. Perhaps most notable is that countries driving the PTA and BIT bandwagons actually include a substantial amount of WTO content in their PTAs. The same is true – even moreso – for the major economies, *ceteris paribus*. Both of these findings directly contradict the conventional wisdom. Added to this, it appears that multilaterally-oriented states that are most experienced with, and vested in, the current WTO regime include a stronger WTO presence in their PTAs. Although more needs to be done to fully comprehend these findings, we believe that they contribute important insights that begin to recast much of the current thinking.

We have several additional steps planned in the immediate future. We first plan to spend more time probing the exact nature of WTO presence in PTAs. This includes: attempting to more systematically show what the WTO-related references say, providing data on the positive nature of references, and refining our search parameters to include other WTO-related

terms. We also plan to explore variation in WTO presence across issue area, after witnessing such clear variation in this paper. An area of future emphasis will be to advance our preliminary account of why some PTAs include a stronger presence. The regression results in this paper provide many useful pathways for further theoretical and empirical enquiry. Among the many avenues we plan to pursue are: further development of the WTO-related explanatory variables, emphasis on which states are most inclined toward WTO presence and why, and careful attention to how we aggregate variables across PTA members and specify our models. What is clear is that an area that was ripe for empirical enquiry – the links between PTAs and the WTO – has much more terrain to cover.

Table 1: Trade Issues in Newer Generation PTAs, with corresponding WTO Agreement

Trade Issue	Corresponding WTO Agreement
Financial Services	Understanding and Annexes on Financial Services (1995)
General Services	General Agreement on Trade in Services (GATS) (1994)
Telecom	Telecommunications Reference Paper and Annex (1996)
Safeguards	Agreement on Safeguards (1994)
Antidumping	Article VI and Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (1994)
Intellectual Property	Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) (1994)
Procurement	Agreement on Government Procurement (1994)
TBT	Agreement on Technical Barriers to Trade (1994)
SPS	Agreement on the Application of Sanitary and Phytosanitary Measures (1994)
Dispute Settlement	Understanding on Rules and Procedures Governing the Settlement of Disputes (Dispute Settlement Understanding) (1994)
Investment	Agreement on Trade-Related Investment Measures (TRIMs) (1994)

Table 2: Percentage of Newer Generation PTAs that Reference the WTO in some way

Manually Coded (DESTA project)	85.5% (326/361)
Machine Coded (English Language PTAs only)	90.0% (262/291)

Table 3: Extent of WTO References in PTAs

	Total Number of WTO References in PTAs		
	Median	Average	Maximum
Among all PTAs (n=291)	13	17.1	65
Among PTAs with at least one WTO reference (n=262)	14	19.0	65

Table 4: Breadth of WTO References in PTAs

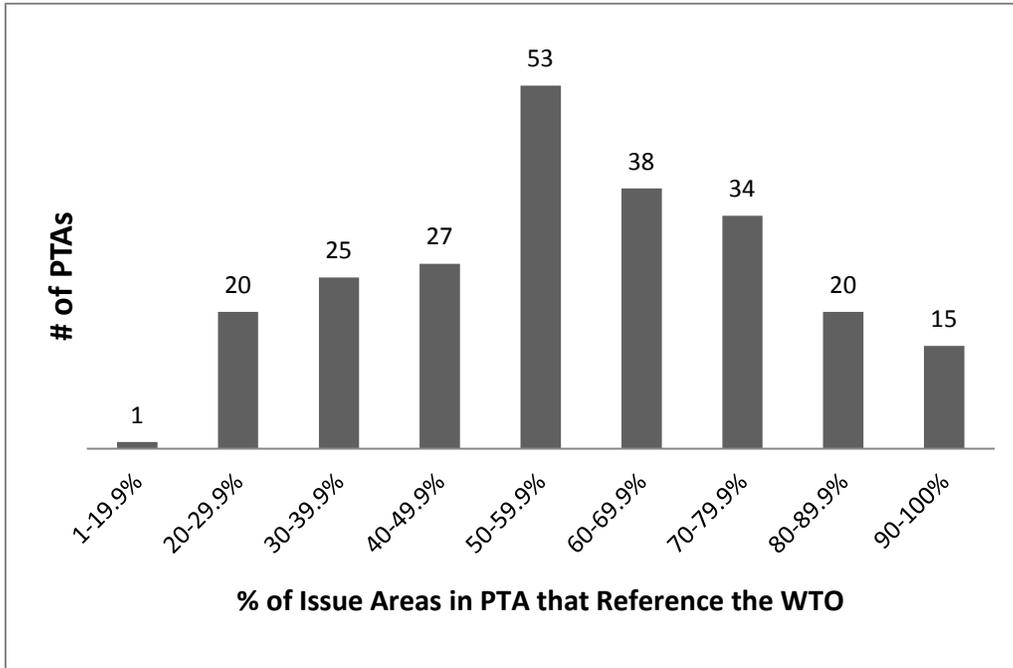


Table 5: Percentage of PTAs that Reference the WTO, by Issue Area

Trade Issue	Percentage of PTAs (containing the relevant provision) that reference the WTO	Maximum # of WTO References
Antidumping	90.3% (289/320)	8
Services	83.7% (206/246)	3
TBT	74.2% (216/291)	13
SPS	73.0% (216/296)	7
Intellectual Property	61.1% (154/252)	4
Safeguards	60.4% (201/333)	9
Procurement	50.7% (109/215)	5
Dispute Settlement	38.0% (134/353)	9
Investment	4.4% (11/251)	4

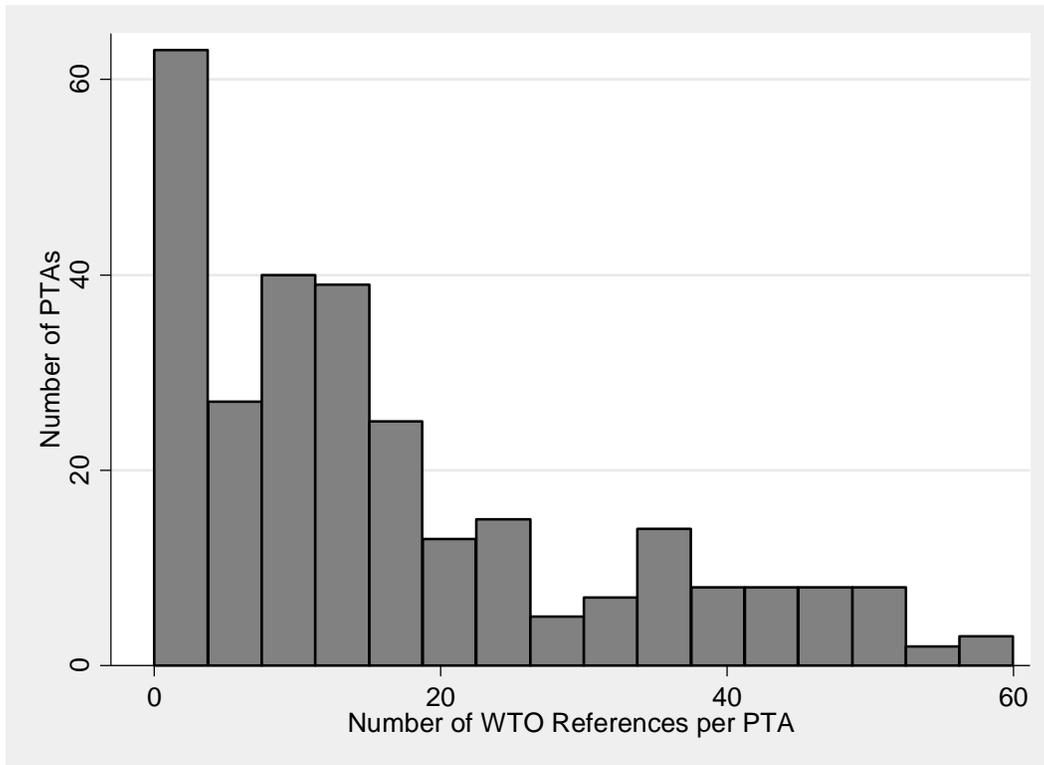
Table 6: Percentage of Text in PTAs that is Copied-and-Pasted from WTO Agreements

Trade Issue	Average % Copied across all PTAs (that contain the relevant provision)	Maximum percent copied by any single PTA	# of PTAs that copy 25% or more of their text from relevant WTO agreement
General Services	23.0%	76% (3,678 words)	69
Telecom	19.6%	63% (1,380 words)	16
Antidumping	15.6%	54% (1,374 words)	32
Procurement	11.7%	80% (6,169 words)	19
TBT	11.3%	60% (409 words)	15
SPS	10.7%	51% (558 words)	22
Safeguards	10.5%	64% (703 words)	29
Intellectual Property	10.1%	32% (1,822 words)	10
Dispute Settlement	5.6%	40% (1,677 words)	10
Financial Services	3.5%	17% (322 words)	0
Investment	0.3%	4% (80 words)	0

Table 7: Complementarity of PTAs Referencing the WTO and Copying WTO Text

Trade Issue	Correlation between WTO References and Amount of Text Copied from WTO
Antidumping	+0.045
Dispute Settlement	+0.522
Intellectual Property	+0.134
Investment	+0.525
Procurement	+0.001
Safeguards	+0.559
Services	+0.241
SPS	+0.444
TBT	+0.525

Table 8a: Distribution of WTO References in PTAs (1994-2014)



**Table 8b: Percentage of PTA Text Copy-Pasted from WTO Agreements
(Average Across Issue Areas)**

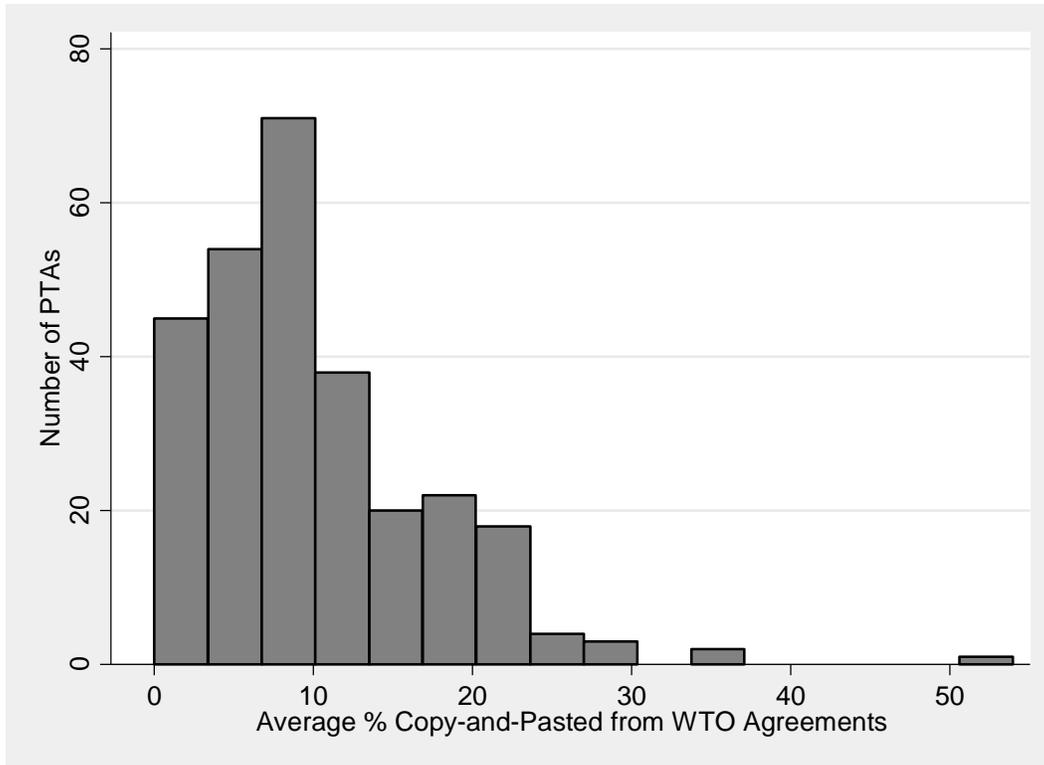


Table 9: Negative Binomial Estimations of the Total Number of WTO References in PTAs, 1994 - 2014

VARIABLES	Model 1	Model 2	Model 3	Model 4	Model 5
Average Among all PTA Members for:					
Duration of WTO Membership	0.00746*** (0.00253)				
WTO Mission Size		0.0185 (0.0144)			
WTO Disputes as Complainant (past 5 years)			0.0751* (0.0408)		
WTO Disputes as Third Party (past 5 years)				-0.00818 (0.0150)	
All WTO Dispute Participation (past 5 years)					0.00922 (0.0100)
Total IGO Membership	0.0121** (0.00577)	0.0184*** (0.00459)	0.0187*** (0.00427)	0.0215*** (0.00440)	0.0204*** (0.00435)
PTAs Signed (past 5 years)	0.00889 (0.0145)	0.00923 (0.0141)	0.0137 (0.0138)	0.00877 (0.0143)	0.00784 (0.0140)
BITs Signed (past 5 years)	0.00852 (0.00912)	0.00493 (0.00808)	0.00575 (0.00788)	0.00509 (0.00807)	0.00491 (0.00805)
Trade Dependence (exports)	0.00851*** (0.00151)	0.00893*** (0.00149)	0.00897*** (0.00149)	0.00907*** (0.00150)	0.00929*** (0.00149)
Total GDP of PTA Members	-7.263e-14*** (1.35e-14)	-7.16e-14*** (1.28e-14)	-7.30e-14*** (1.20e-14)	-8.04e-14*** (1.24e-14)	-7.51e-14 *** (1.23e-14)
GDP of Largest PTA Member	1.35e-13*** (1.58e-14)	1.17e-13*** (1.94e-14)	1.07e-13 *** (1.83e-14)	1.33e-13 *** (1.66e-14)	1.19e-13 *** 1.88e-14
Total Words in PTA	2.13e-06 (1.79e-06)	2.50e-06 (2.25e-06)	2.36e-06 (1.97e-06)	2.49e-06 (2.33e-06)	2.43e-06 (2.13e-06)
Year	0.0739*** (0.0142)	0.0727*** (0.0138)	0.0800*** (0.0129)	0.0800*** (0.0152)	0.0755*** (0.0139)
Constant	-146.8*** (28.39)	-144.8*** (27.67)	-159.3*** (25.76)	-159.4*** (30.41)	-150.4*** (27.80)
Observations	243	267	267	267	267

Robust standard errors in parentheses.

*** p<.01, ** p<.05, * p<.10

Table 10. OLS Estimations of the Total Amount WTO Language that is Copy-Pasted in PTAs, 1994 - 2014

VARIABLES	Model 1	Model 2	Model 3	Model 4	Model 5
Average Among all PTA Members for:					
Duration of WTO Membership	0.116*** (0.0278)				
WTO Mission Size		0.572*** (0.165)			
WTO Disputes as complainant (past 5 years)			0.339 (0.330)		
WTO Disputes as Third Party (past 5 years)				0.651*** (0.203)	
All WTO Dispute Participation (past 5 years)					0.330** (0.145)
Total IGO Membership	-0.0294 (0.0432)	0.0132 (0.0403)	0.0874*** (0.0336)	0.0746** (0.0330)	0.0739** (0.0351)
PTAs Signed (past 5 years)	0.224 (0.139)	0.189 (0.132)	0.195 (0.132)	0.105 (0.122)	0.162 (0.126)
BITs Signed (past 5 years)	0.0733 (0.0621)	-0.0469 (0.0594)	-0.0426 (0.0601)	-0.0365 (0.0597)	-0.0445 (0.0594)
Trade Dependence (exports)	0.0362* (0.0191)	0.0429** (0.0193)	0.0470** (0.0203)	0.0585*** (0.0192)	0.0516*** (0.0199)
Total GDP of PTA Members	-4.61e-13*** (1.46e-13)	-2.60e-13* 1.36e-13	-4.57e-13 *** 1.32e-13	-3.47e-13 *** (1.29e-13)	-3.59e-13 *** 1.34e-13
GDP of Largest PTA Member	7.61e-13 *** (1.89e-13)	2.04e-13 (2.14e-13)	5.37e-13 ** 2.15e-13	4.34e-13 ** (1.77e-13)	2.22e-13 (2.28e-13)
Year	0.591*** (0.131)	0.411*** (0.113)	0.579*** (0.116)	0.395*** (0.117)	0.498*** (0.108)
Constant	-1,178*** (262.1)	-818.1*** (225.8)	-1,157*** (232.2)	-789.5*** (233.4)	-993.7*** (214.7)
Observations	236	260	260	260	260
R-squared	0.363	0.340	0.307	0.329	0.320

Robust standard errors in parentheses.

*** p<0.01, ** p<0.05, * p<0.1

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