

Contents

<i>Co-Director's Foreword</i>	xix
<i>Preface</i>	xxii
Chapter 1: Trends and Phases in the Colombian Economy and Its Foreign Trade and Payments, 1950-72	1
An Over-All View: Gross Domestic Product and Its Distribution	1
An Over-All View: Foreign Trade	6
External and Internal Instability	8
Capital Formation and Foreign Trade	10
Coffee and Phases	12
Policy and Subphases	14
Notes	31
Chapter 2: Minor Merchandise Exports	33
An Over-All View	34
Types of Minor Exports	36
A Closer Look at the Customers for Colombian Exports	48
Policy Variables Influencing Minor Exports	51
The Supply Response of Colombian Minor Exports	63
LAFTA vs. Non-LAFTA Minor Exports: Some Economic Characteristics	71
Outlook for Minor Exports	74
Notes	77
	xi

Chapter 3: Determination and Composition of Merchandise Imports and Their Link to Capital Formation	80
An Aggregate Import Function	80
Unregistered Merchandise Imports	89
The Allocation of Observed Merchandise Imports into Different Categories	91
Imports and Capital Formation	94
Policy Instruments Used to Repress Imports	96
Notes	98
Chapter 4: Tariffs, Prior Deposits, and the Import Exchange Rate	100
The Tariff	100
Prior Import Deposits	111
The Average Exchange Rate Applicable to Merchandise Imports	115
Notes	122
Chapter 5: Import Controls	124
Some Key Definitions and Classifications	124
A Historical Sketch of the Import Control System	131
The Operation of Import Controls During 1971	134
Some Evidence of the Combined Operation of the Import-repressing Mechanisms	149
Notes	150
Chapter 6: Import Controls in 1970-71: Some Quantifiable Features	153
Major Colombian Importers in 1970	154
Revealed INCOMEX Criteria for Accepting or Rejecting Import License Requests	160
Industrial Company Size and Incidence of Approval: A Closer Look	168
The Import-Export-Taxes-Wages Nexus	173
Some Conclusions	176
Appendix: Companies with Imports Worth More than \$1 Million in 1970	178
Notes	181

Chapter 7: The 1965–66 Liberalization Episode	184
The Dynamics of Inflation	184
The 1962 Devaluation: Review of Some Background	188
The Impact of the 1962 Devaluation	190
The 1965–66 Liberalization Episode: Origins and Implementation	195
Blowup	202
Sisyphus and Law 444	205
Questions and Lessons from the 1965–66 Liberalization Episode and Its Aftermath	206
Appendix	209
Notes	213
Chapter 8: Trade Policies and Colombian Development	215
The Record for 1967–73	216
Evidence on Static Efficiency Effects of Colombian Trade Policies: Review and Outlook	225
Trade Policies, Foreign Exchange Availability, and Growth	234
Trade Policies, Income Distribution, and Employment	239
Trade and Financial Policies and National Autonomy	246
Some Final Remarks	250
Notes	251
Appendix A: Definition of Concepts and Delineation of Phases	259
Appendix B: Principal Dates and Historical Events in Colombia	262
Appendix C: Abbreviations	270
<i>Index</i>	272