

4. An argument against regional trade agreements that underpin blocs such as the European Union and the Association of Southeast Asian Nations is that they can
- (a) be harder to negotiate compared with World Trade Organisation multilateral agreements.
  - (b) divert trade from a low-cost producer outside the trade agreement to a higher-cost producer within the trade agreement.
  - (c) increase the trade intensity of member countries.
  - (d) divert trade from high-cost producers within the trade agreement to lower-cost producers outside the trade agreement.