

EC 421: Structured Research Assignment 2025-26

International Trade

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What are the economic effects of tariffs?

Tariffs are the textbook trade policy instrument. And this year has seen President Trump initiate widespread increases in US tariffs. The structured research assignment for international trade is to study some aspect of the economic consequences of tariffs.

There are many possible ways to address this question. For example, you could:

- Study the effect of a particular tariff change on trade flows.
- Analyse how exporting or importing firms are affected by tariffs.
- Study the impact of tariffs on non-trade outcomes, e.g. output, employment, productivity.
- Model optimal tariff policy. What are the policy rationales for using tariffs?
- Study how countries respond to facing tariffs on their exports. When do/should countries retaliate against foreign tariffs?
- Study the design or implementation of trade agreements that seek to reduce tariffs.

These suggestions are for guidance only and are not an exhaustive list of ways to address the question. You cannot hope to give a comprehensive answer to the question, but should seek to make a narrow contribution to our understanding of this area. A good essay is one from which we all learn something new about the world.

Some data sources that you may find useful are:

- UN Comtrade (<https://comtrade.un.org/>). Annual and monthly trade data by country-pair and HS 6-digit product.
- WITS (<https://wits.worldbank.org>). Trade, tariff and non-tariff barrier data for countries and products.
- Global Trade Alert (<https://www.globaltradealert.org/>). Database of state interventions that may affect world trade.
- Most countries also provide their own detailed trade data through their customs offices and/or national statistical agencies.
- World Bank Deep Trade Agreements Database (<https://datatopics.worldbank.org/dta/table.html>). Data set that measures the content of different trade agreements.
- The IMF's International Financial Statistics (<https://data.imf.org/?sk=4c514d48-b6ba-49ed-8ab9-52b0c1a0179b>) and the World Bank's World Development Indicators (<https://databank.worldbank.org/source/world-development-indicators>) provide country-level time series for many macroeconomic indicators, including some that focus on trade.
- OECD statistics (<https://stats.oecd.org/>). Detailed economic data for OECD economies and some selected non-OECD countries. Includes bilateral trade by industry.