Table 1: Trade liberalization: The role of additive costs

Mode	Air				Vessel			
Exercise	Constant f_x		Lower f_x		Constant f_x		Lower f_x	
Reduction in	τ only	τ and t	τ only	τ and t	τ only	τ and t	τ only	τ and t
TC_{1974}	0.062	0.062	0.062	0.062	0.105	0.105	0.105	0.105
TC_{2019}	0.028	0.028	0.028	0.028	0.041	0.041	0.041	0.041
ΔTC (in pp)	-0.034	-0.034	-0.034	-0.034	-0.064	-0.064	-0.064	-0.064
$\Delta \tau$ (in pp)	-0.0340	-0.0140	-0.0340	-0.0140	-0.064	-0.031	-0.064	-0.031
$\Delta t/\widetilde{p}_x^{\text{fas}}$ (in pp)	0	-0.02	0	-0.02	0	-0.033	0	-0.033
$\Delta \mathcal{U}$	0.0202	0.0295	0.0362	0.0527	0.035	0.052	0.047	0.064
$\Delta \mathcal{U}/\mathcal{U}$ (in %)	1.2319	1.8187	2.2073	3.2477	2.179	3.295	2.872	4.052

Notes: TC = Transport Costs, expressed in percentage of the average export fas price.