Table 1: Trade liberalization: The role of additive costs

Mode	Air				Vessel			
Fixed export cost:	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
ΔTC (in pp)	-3.4	-3.4	-3.4	-3.4	-6.4	-6.4	-6.4	-6.4
$\Delta\tau$ (in pp)	-3.4	-1.4	-3.40	-1.40	-6.4	-3.1	-6.4	-3.1
$\Delta t/\widetilde{p}_x^{\text{fas}}$ (in pp)	0	-2.0	0	-2.0	0	-3.3	0	-3.3
$\Delta\mathcal{U}$	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. The reduction in transport costs is expressed in percentage points.