

Trade policy analysis report

Tunis Business School

Iyed Ghedamsi

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Make sure to compare to a benchmark

Tariff distribution plot, Fixed effects model

At 19.39 Trillion USD , the USA economy is the largest in the world (“Data — Sciences Po Economics”, n.d.). Despite controversial measures focusing on renegotiating Free Trade Agreements out of its 14 that are in force (e.g. NAFTA), the US economy continues to expand for the 9th consecutive year. The US is both one of world’s largest exporters and largest importers. Its exports in Merchandise trade total %8.72 of the world total, while its exports in commercial services come at %14.43 of the world total. Their exports of machinery and mechanical exports is the largest, at about a quarter of their merchandise exports.

1 Trade flows

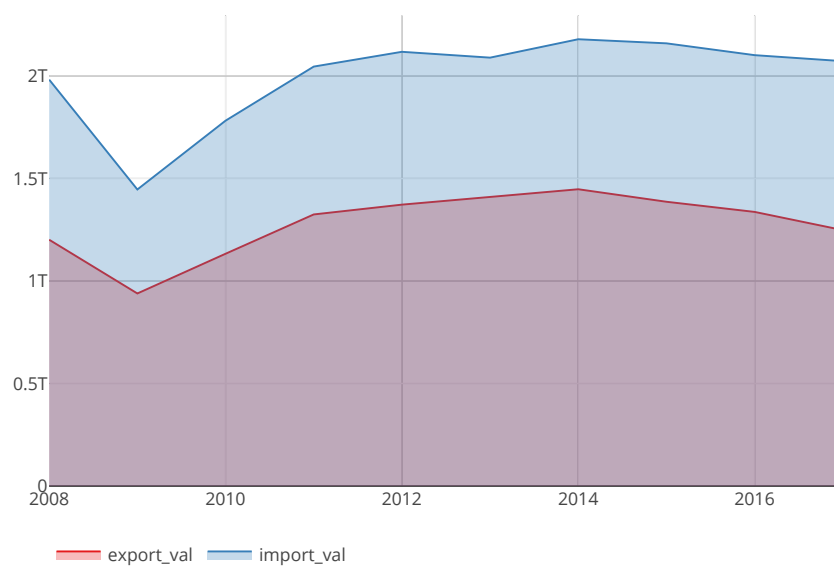


Figure 1: USA trade balance between 1960 and 2017

1.1 Trade openness

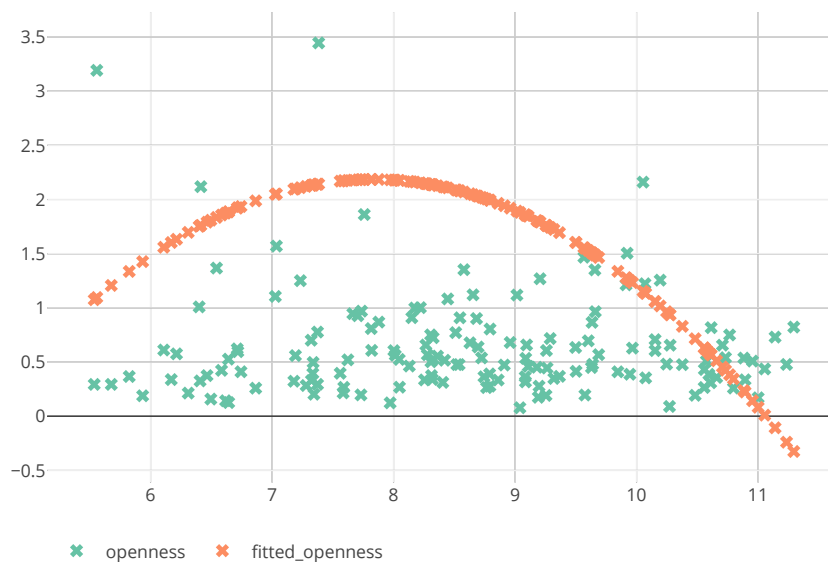


Figure 2: Quadratic regression of Trade Openness to the log of GDP per Capita in 2017

Vertical specialization: compare across NAFTA

1.2 Trade composition

1.2.1 Sectoral composition of USA trade

perhaps to for exports / imports

1.2.2 Intra-industry trade

Intra industry trade: see if can apply on NAFTA only

Export diversification: Herfindahl index + Hummels and Klenow

1.3 Comparative advantage

1.3.1 Revealed comparative advantage

Across NAFTA

1.3.2 Revealed technology content: PRODY and EXPY indexes

1.3.3 Regional trade: NAFTA

Import matrix

regional intensity of trade

Trade complementarity: Across NAFTA (matrix)

2 Tariff profile of the USA

2.1 Summary of tariffs and imports p95

bound tariffs p89

Trade restrictiveness indexes and relative preference margins

2.2 Tariff analysis

p96: Provide a statistical description of tariffs and NTBs and examine their determinants

3 Gravity model

References

Data — Sciences Po Economics. (n.d.). Retrieved June 13, 2019, from <http://econ.sciences-po.fr/node/131>