

“Trade War and Global Reallocation”

List of Targeted HS Codes in the Trade War

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This document contains information about the data sources used to construct datasets of tariff changes on U.S. imports and exports in 2018 and 2019 due to the ongoing trade war between the US and its trading partners. This work builds on previous data assembled by Fajgelbaum, Goldberg, Kennedy, and Khandelwal (2020). We kindly request that researchers who use these datasets cite the following:

1. Fajgelbaum, Pablo D., Penelopi K. Goldberg, Patrick J. Kennedy, and Amit K. Khandelwal. 2020. “The Return to Protectionism.” *The Quarterly Journal of Economics*.
2. Fajgelbaum, Pablo D., Penelopi K. Goldberg, Patrick J. Kennedy, Amit K. Khandelwal, and Daria Taglioni. 2021. “Trade War and Global Reallocation.” Working Paper.

1 US Import Tariffs

1.1 Dataset and variables

The file `us_import_tariffs.csv` (also provided in .dta format) identifies U.S. import products subject to tariffs as a result of the trade war. Observations in the dataset are unique by *country*, *product (hs10)*, and *year*. The data include only targeted country-hs10 pairs that the US imported at least once between 2015 and 2019. The variable descriptions are as follows:

- *country* and *iso3* identify countries targeted by US import tariffs
- *year* is 2018 or 2019
- *hs10* is the 10-digit Harmonized System (HS) code associated with each targeted product
- *tariff_max* is the maximum percentage point tariff increase in this corresponding year
- *tariff_scaled* is the percentage point tariff increase scaled by the number of months it was in effect. For example, if a 10 p.p. tariff were implemented for some variety in July 2018, then the scaled tariff for 2018 would be 5 p.p. ($= 10 \times \frac{6}{12}$).
- *effective_mdate* is the earliest month of the trade war that the US imposed import tariffs on the corresponding variety

In some cases, the US increased tariffs on the same import varieties multiple times. In these cases, the variables should be interpreted as follows:

- *tariff_max* documents the maximum cumulative annual tariff increase for each variety
- *effective_mdate* documents the earliest monthly date that the variety was targeted
- *tariff_scaled* represents a weighted average of the cumulative tariff increases, where the weights correspond to the share of the year that the tariffs were in effect

1.2 Countries targeted

Here we provide additional details about the US tariff increases on trading partners.

- **Washing Machine Tariffs:** Apply to all countries except Canada and GSP Least Developed Nations.¹ First implemented in February 2018.
- **Solar Panel Tariffs:** Apply to all countries except GSP Least Developed Nations. First implemented in February 2018.
- **Steel Tariffs:** Apply to all countries except Argentina, Australia, Brazil, and South Korea. Implementation dates:
 - Canada and Mexico: June 2018 to June 2019
 - EU countries: June 2018 to present
 - All other non-exempt countries: March 2018 to present
- **Aluminum Tariffs:** Apply to all countries except Argentina (subject to quotas) and Australia (fully exempt with no quota restrictions). Implementation dates:
 - Canada and Mexico: June 2018 to June 2019
 - EU countries: June 2018 to present
 - All other non-exempt countries: March 2018 to present
- **China Tariffs:** Apply only to imports of Chinese varieties. Implemented in several waves in July, August, and September 2018. Tariffs were further increased on Chinese varieties in May and September 2019.
- **EU Tariffs:** Apply only to imports of varieties from EU countries, including the United Kingdom. First implemented in October 2019.

1.3 Data sources

To construct this database, we scraped the U.S. tariff schedule from publicly available official U.S. International Trade Commission (USITC) documents. USITC publishes a “baseline” tariff schedule in January of each year, and publishes revisions to the baseline schedule to reflect changes in tariff policy. These revision files (14 revisions in 2018 and 20 revisions in 2019) document the tariff increases that unfolded over the course of the trade war.

The U.S. typically implemented tariff increases at the level of HS-8 codes. However, in rare cases the U.S. exempted specific HS-10 codes within HS-8 categories; this dataset captures those exemptions.

2 Retaliatory Tariffs

2.1 Dataset and variables

The file `retaliatory_tariffs.csv` (also provided in .dta format) identifies U.S. export products subject to retaliatory tariffs by American trading partners as a result of the trade war. Observations in the dataset are unique by *country*, *product* (*hs8*), and *year*. The data include only targeted country-hs10 pairs that the US exported at least once between 2015 and 2019. The variable descriptions are as follows:

- *country* and *iso3* identify countries retaliating against the US
- *year* is 2018 or 2019
- *hs8* is the 8-digit Harmonized System (HS) code associated with each targeted product

¹GSP Least Developed Nations include: Afghanistan, Angola, Benin, Bhutan, Burkina Faso, Burma, Burundi, Cambodia, Central African Republic, Chad, Comoros, Djibouti, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, Tanzania, Togo, Tuvalu, Uganda, Vanuatu, Yemen, and Zambia.

- *tariff_max* is the maximum percentage point tariff increase in this corresponding year
- *tariff_scaled* is the percentage point tariff increase scaled by the number of months it was in effect, same as above
- *effective_mdate* is the earliest month of the trade war that the retaliating country imposed tariffs on the corresponding US export

In some cases, China and Mexico increased tariffs on the same US export product multiple times. In these cases, the variables should be interpreted as follows:

- *tariff_max* documents the maximum cumulative annual tariff increase for each variety
- *effective_mdate* documents the earliest monthly date that the variety was targeted
- *tariff_scaled* represents a weighted average of the cumulative tariff increases, where the weights correspond to the share of the year that the tariffs were in effect

2.2 Retaliating Partners

Retaliating U.S. trade partners in 2018 and 2019 include:

- Canada
- China
- European Union
- Mexico
- Russia
- Turkey
- India

2.3 Data sources

To construct this dataset, we used official documentation from foreign ministries and the World Trade Organization (WTO) describing retaliatory tariff actions due to the trade war. These ministries include the Ministry of Finance of China, the Department of Finance of Canada, the Office of the President of Mexico, and the World Trade Organization (covering the EU, Russia, Turkey, and India).

Finally, researchers should note that HS codes are only harmonized across countries up to the level of HS-6 codes. Finer codes, such as HS-8 and HS-10 codes, are developed independently by each country for internal classifications. Comparisons across countries using these finer codes should thus be interpreted with care.²

²These datasets do not capture changes in antidumping or countervailing duties, nor do they capture potential non-tariff retaliatory actions such as changes in purchasing behavior by state-owned enterprises.