

Trade Policy and the Crisis

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Abstract

This paper examines the evolving, cross-country use of temporary trade barriers (TTBs) such as antidumping, countervailing duties, and safeguard policies over the period 1990-2009. We draw from the World Bank's *Temporary Trade Barriers Database* which contains product-level and (relatively) high frequency data on these bilateral trade policy changes across the more than 30 countries that combine to make up 95% of the total use of such policies. We construct product-level flow and stock measures of these TTBs in place over time, highlighting heterogeneity in the use and impact of such barriers across countries, industries and trading partners. We establish a number of stylized facts with respect to the most recent global economic crisis. First, the major G20 users of such policies have combined to increase the stock of product-lines subject to TTBs by 25% during the crisis. Nevertheless, the rate of increased use is heterogeneous across countries, with the largest increases coming in major emerging markets. Second, the 2008-2009 use of such policies is also increasingly "South-South" in nature, accentuating trends established long before the crisis. Third, we document the extent to which the TTBs continue to increasingly affect China's exports. Finally, the analysis moves "beyond" the crisis to describe the implications of the evolving use of TTBs for the political economy of WTO negotiations over future reforms to the Agreement on Antidumping, Agreement on Subsidies and Countervailing Measures, and Agreement on Safeguards.