

# Accepted Manuscript

## Let's Try Next Door: Technical Barriers to Trade and Multi-destination Firms

Lionel Fontagné, Gianluca Orefice

PII: S0014-2921(17)30213-1  
DOI: [10.1016/j.euroecorev.2017.11.002](https://doi.org/10.1016/j.euroecorev.2017.11.002)  
Reference: EER 3085

To appear in: *European Economic Review*

Received date: 22 December 2016  
Accepted date: 13 November 2017

Please cite this article as: Lionel Fontagné, Gianluca Orefice, Let's Try Next Door: Technical Barriers to Trade and Multi-destination Firms, *European Economic Review* (2017), doi: [10.1016/j.euroecorev.2017.11.002](https://doi.org/10.1016/j.euroecorev.2017.11.002)

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



Let's Try Next Door:

## Technical Barriers to Trade and Multi-destination Firms

Lionel Fontagné \*

Gianluca Orefice †

November 20, 2017

### Abstract

Stringent Technical Barriers to Trade (TBT) are expected to drive exporters out of the markets imposing these hurdles. In addition, more able multi-destination exporters can refocus on TBT-free markets and reorient their exports. By matching a database of TBT measures raised as concerns at the WTO (Specific Trade Concerns – STCs), with a firm-level panel of French exporters, we show the complex effects of restrictive TBT measures on the different margins of trade. We show that the negative effect of TBT on export participation is magnified for multi-destination firms, which can divert their exports towards TBT-free destinations. Moreover, we conduct aggregate level estimations to show that the effect of stringent TBTs in reducing export flows is magnified in more homogeneous sectors. Observing the shape of the firm distribution at sectoral level and the aggregate response of export to trade cost, we shed light on the fixed component of the additional cost imposed by TBTs on exporters.

**Key Words:** Non-tariff measures, TBT, Multi-destination Firms, Trade Margins.

**JEL Codes:** F13, F14.

---

\*PSE - Université Paris 1 & CEPII. Correspondence: Centre d'Economie de la Sorbonne, 106-112 Bd de l'Hôpital, F-75647 Paris Cedex 13. Email: lionel.fontagne@univ-paris1.fr. Corresponding author.

†CEPII. Correspondence: CEPII, 113 rue de Grenelle 75007 Paris. Email: gianluca.orefice@cepii.fr.

Download English Version:

<https://daneshyari.com/en/article/7351718>

Download Persian Version:

<https://daneshyari.com/article/7351718>

[Daneshyari.com](https://daneshyari.com)