

Swiss Institute for International Economics  
and Applied Economic Research



University of St.Gallen

*“From insight  
to impact”*



# Throwing Sand In The Wheels:

*How G-20 policies discriminate against  
LDC exports*

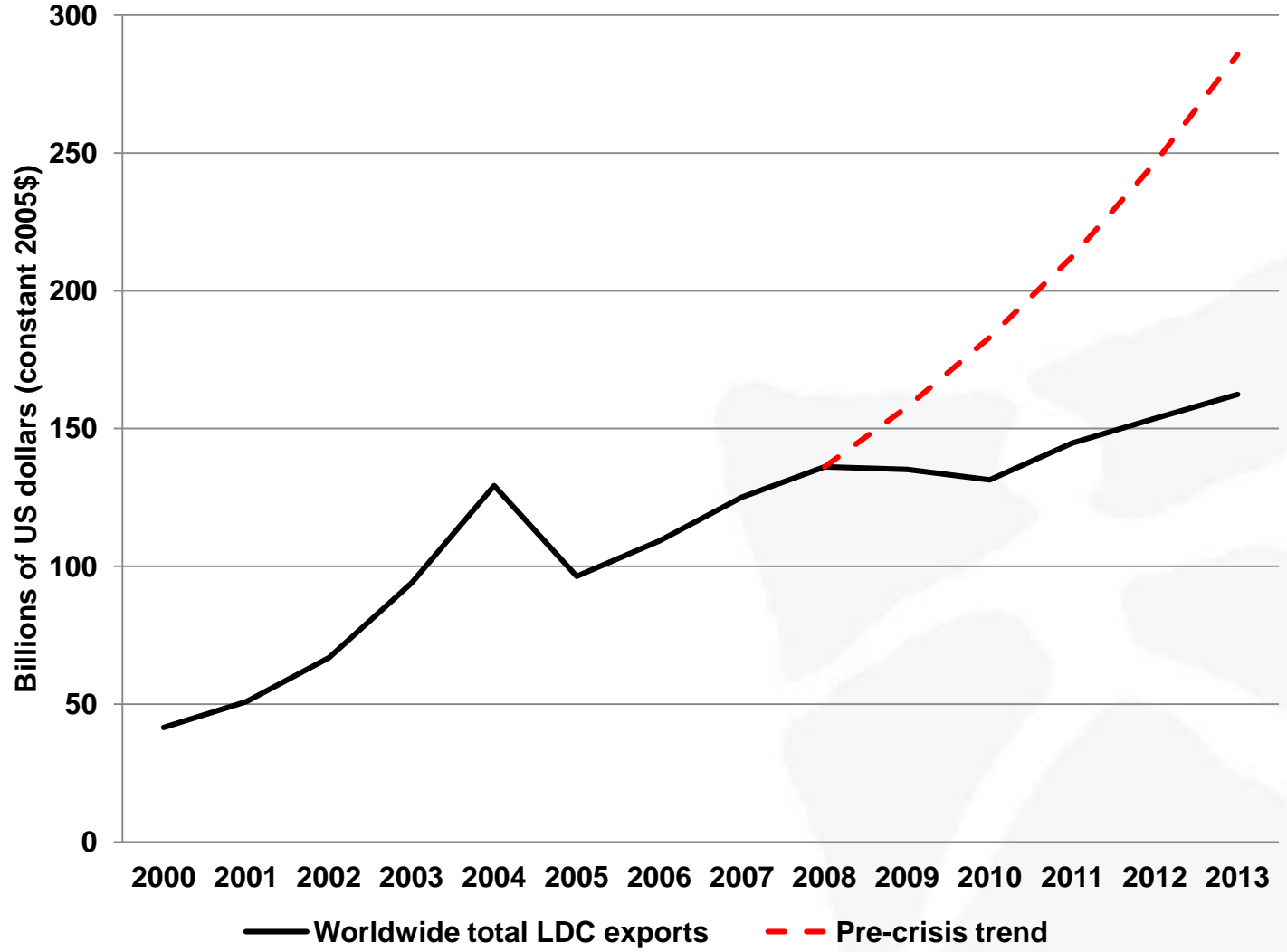
**Simon J. Evenett and Johannes Fritz**

**January 2015**

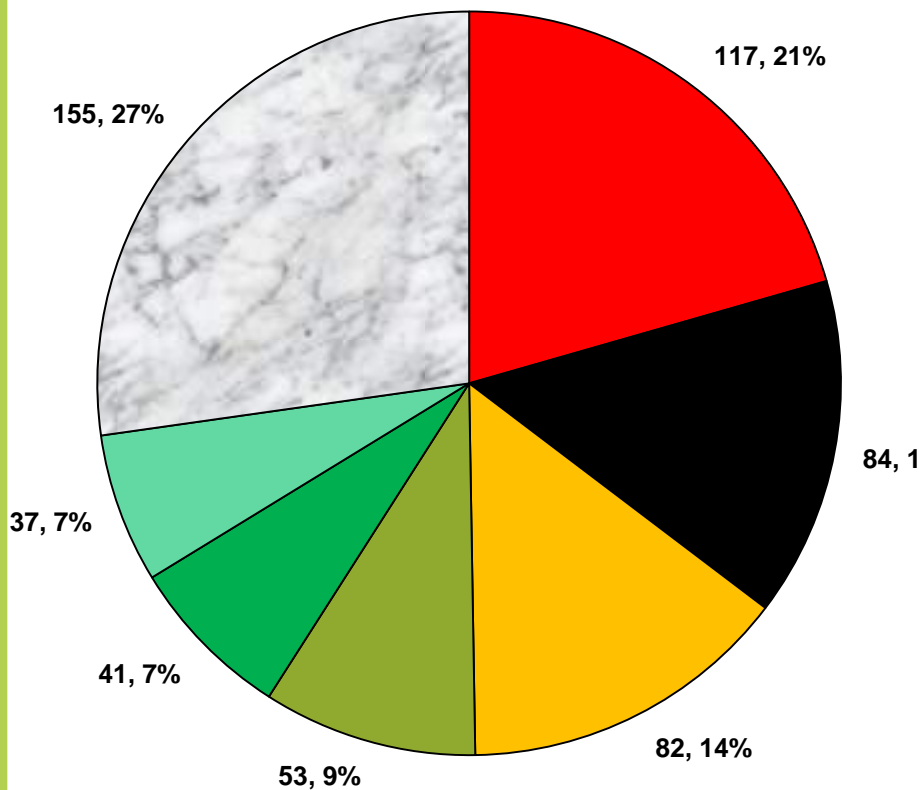
# Purpose of this presentation and its development significance.

- *Given the accepted goal of integrating LDCs further into the world economy, this presentation shows the extent to which crisis-era discrimination by LDCs trading partners has retarded its export growth.*
  - *Relevance to deliberations in many fora.*
- *While impact of trade reform by LDCs has been contested, hard to find experts who argue that export growth in general harms LDC development or that foreign protectionism fosters LDC development.*
- *This presentation summarises a report prepared for the Government of Sweden using data on trade liberalisation and discrimination from 2009 to 2013 collected by the Global Trade Alert.*

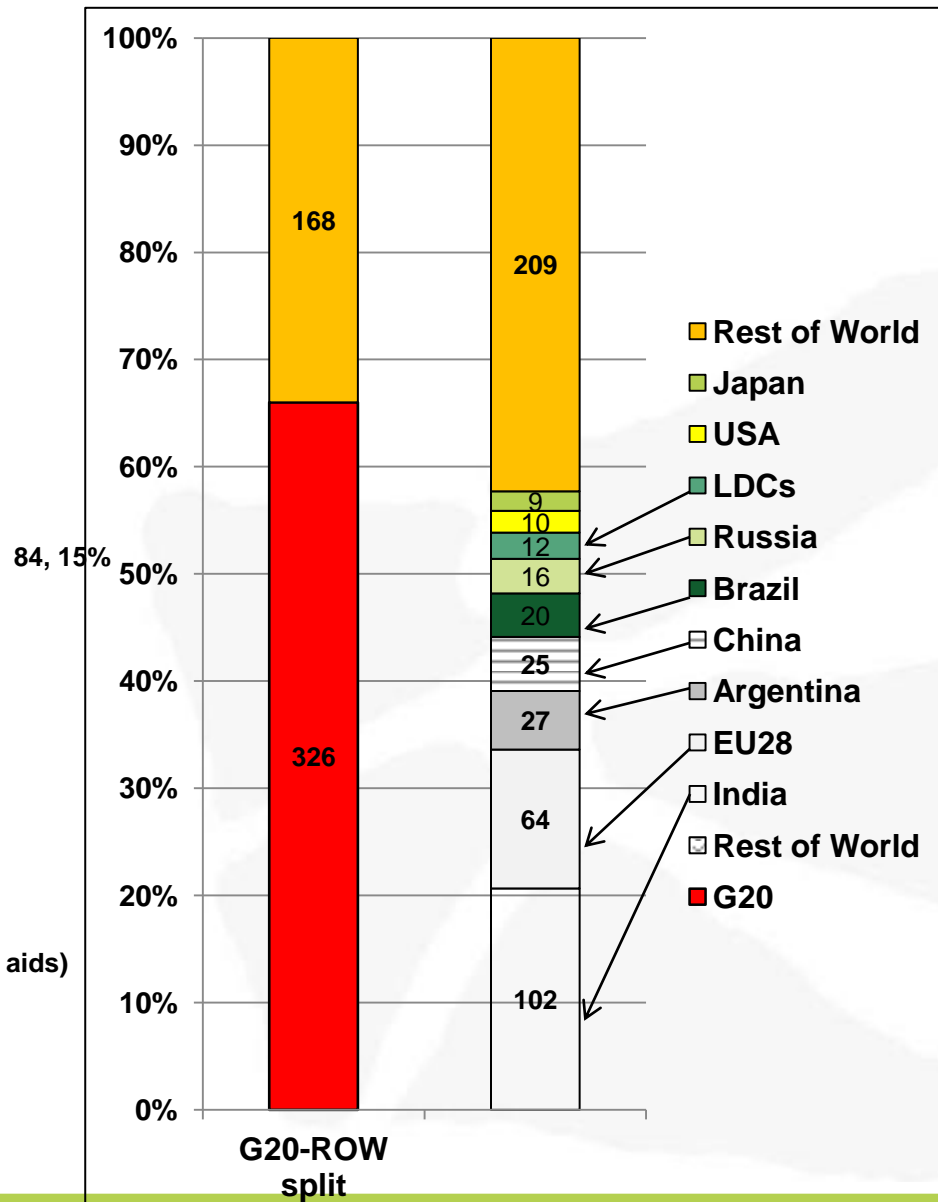
# The LDC export boom before the crisis



# Discrimination faced by LDC exporters

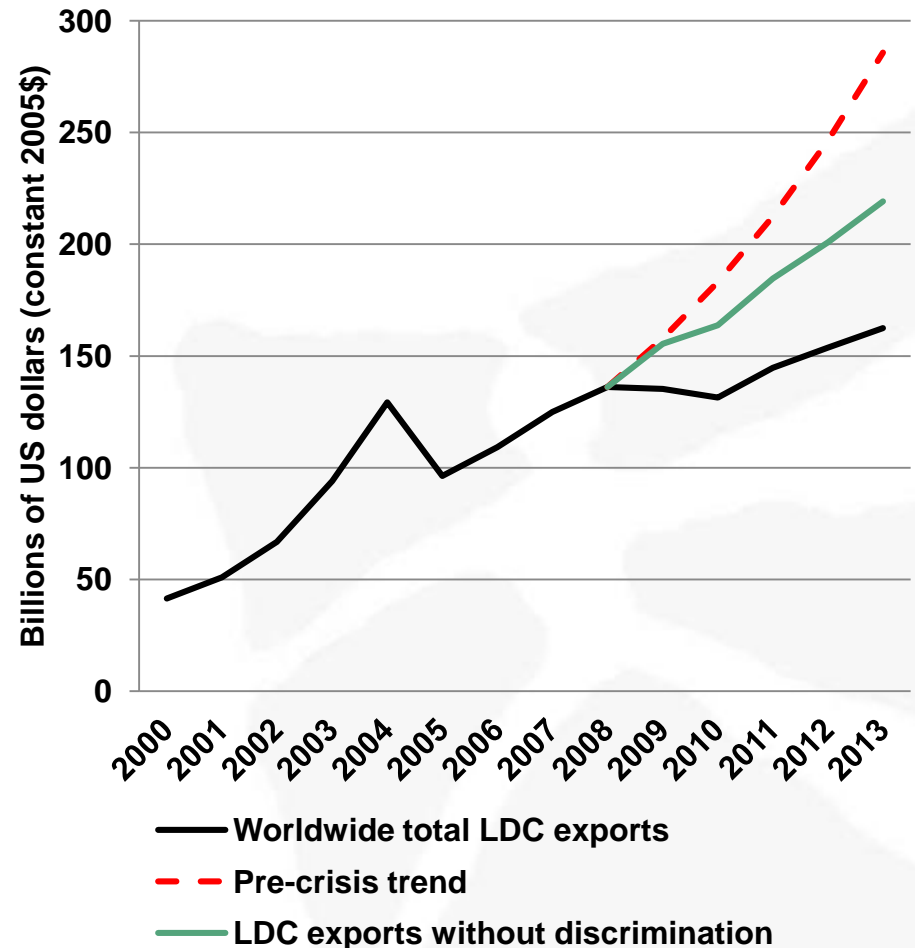
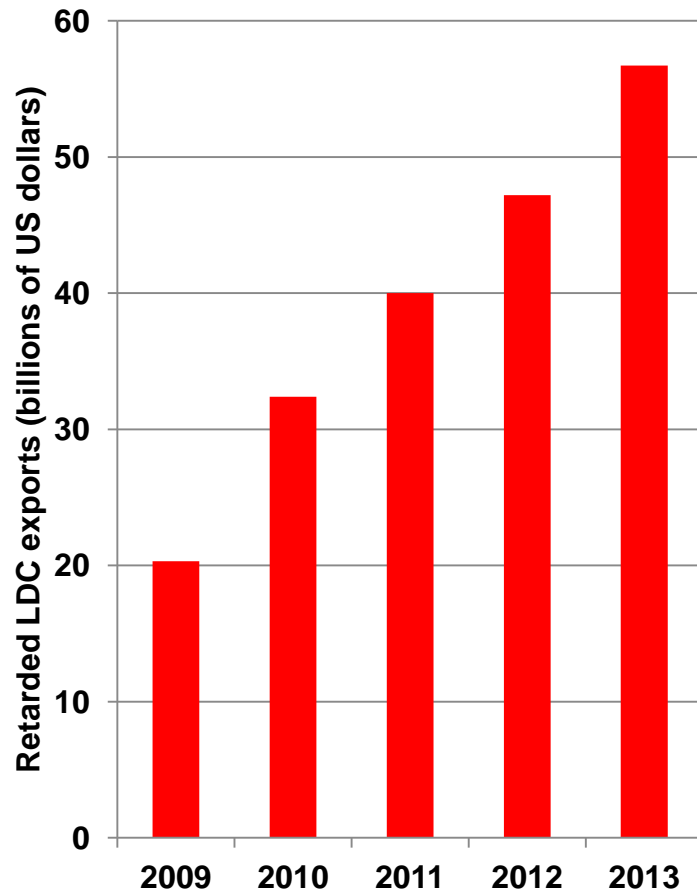


- Tariff increase
- Export tax or restriction
- Local content requirement
- Other
- Non-export subsidies (state aids)
- Export subsidy
- Migration limit



G20-ROW split

# Foreign discrimination reduced LDC exports by 23% during 2009-2013



# Policy implications for the G-20 and the EU

1. Don't demote or abandon the G-20 pledge on protectionism.
  - Don't allow the likely ratification of the WTO TF accord to overshadow violations of the G-20 pledge—the former does not compensate for the latter.
2. The GATT monitoring on protectionism in the 1980s specifically recorded measures harming LDCs—so should official monitoring now.
3. G-20 members should make their submissions on protectionism to the WTO public—making non-cooperation easier to spot.
4. G-20 and EU member states should publish timetables for unwinding measures harming LDCs.
5. Support for LDCs in bringing foreign discrimination to light in deliberations in Geneva.

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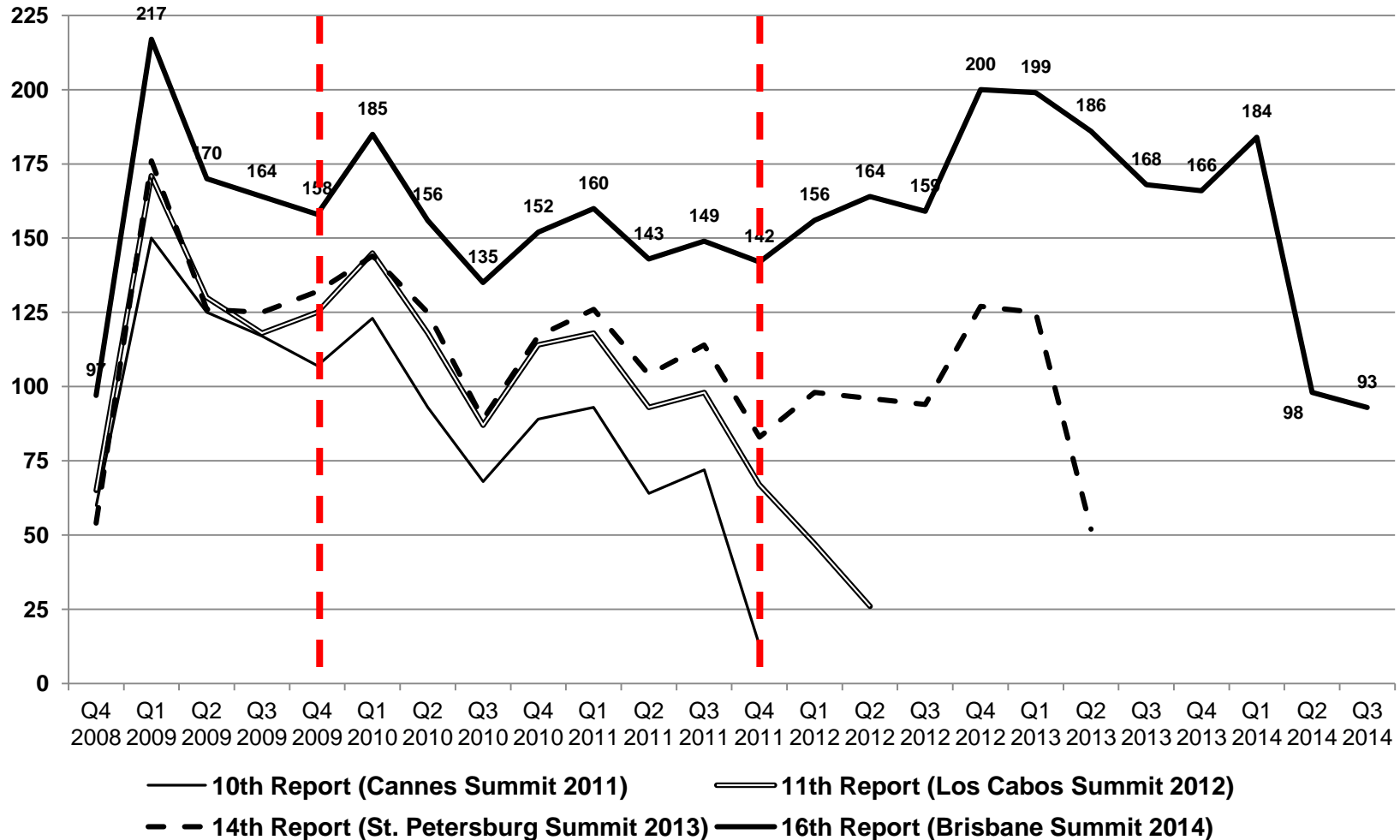
# Throwing Sand In The Wheels:

*Additional slides*

**Simon J. Evenett and Johannes Fritz**

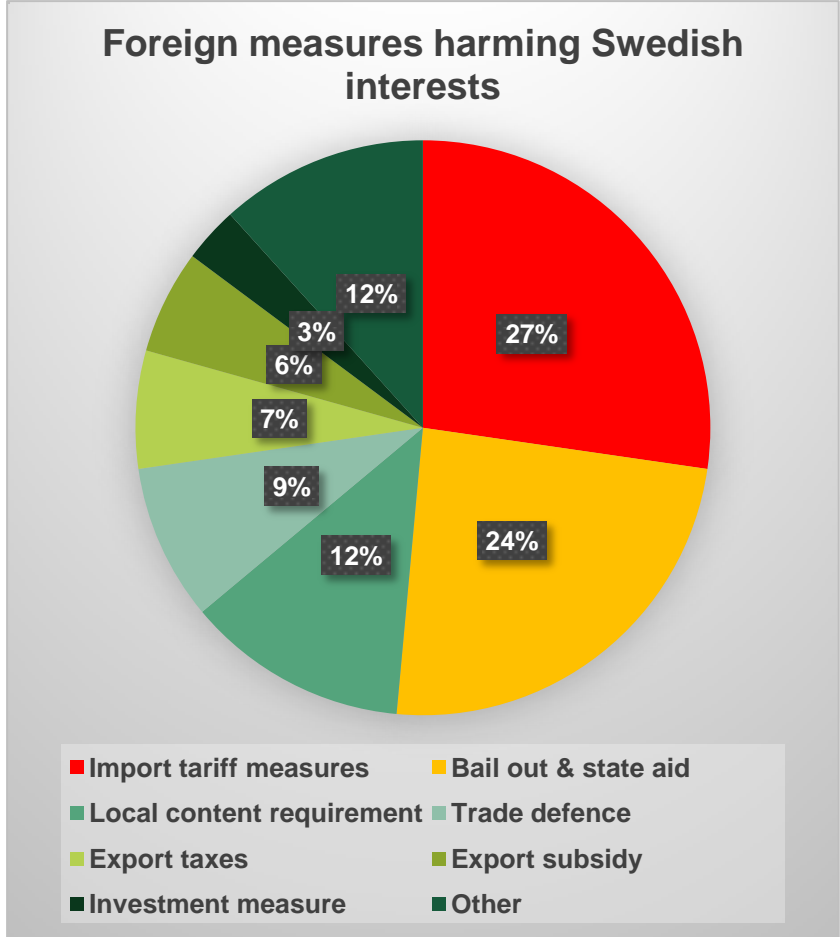
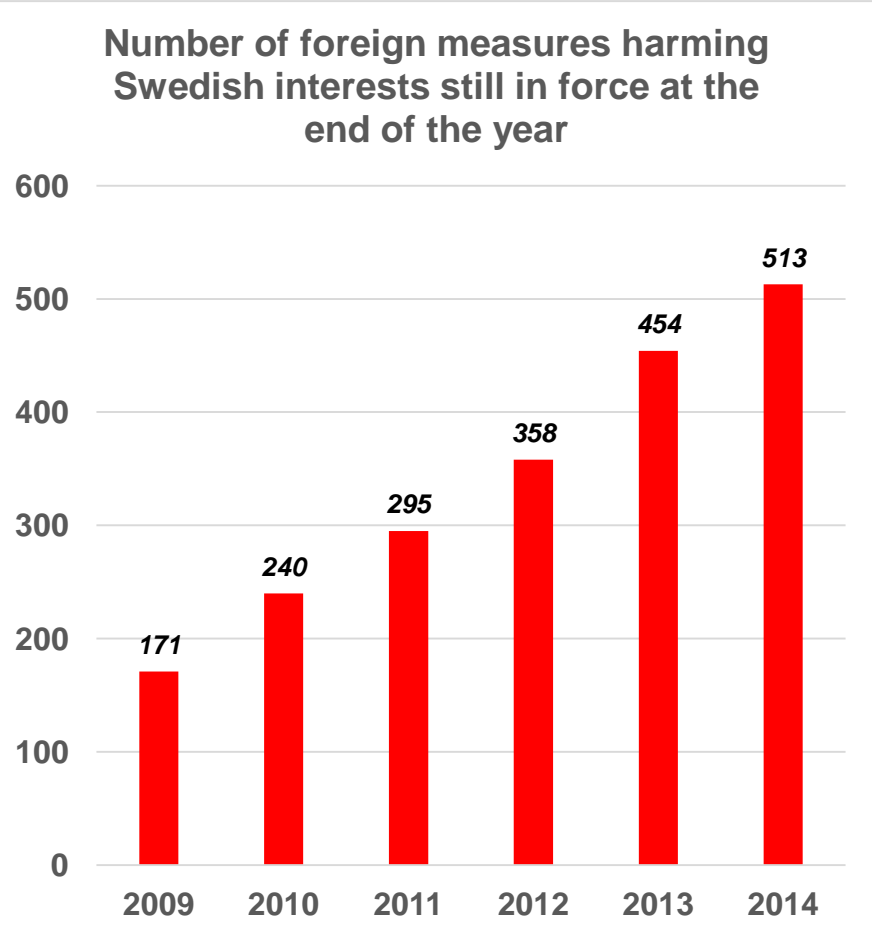
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# Major upward revisions in amount of protectionism: three phases since 2008





# Which trading partners harm Swedish commercial interests most often?



# Which trading partners harm Turkish commercial interests most often?

