SOCIETA' ITALIANA DEGLI ECONOMISTI

61ᵐᵃ RIUNIONE SCIENTIFICA ANNUALE

Conferenza online

20-23 Ottobre 2020

Proposta di sessione organizzata

Proponente/i: _____ (*indicare nome e affiliazione*)

x **Proposta di un'associazione scientifica**: _Associazione Italiana per lo Studio dei Sistemi Economici Comparati (AISSEC)__ (*indicare il nome*)

☐ **Proposta individuale**

Titolo:
International trade between protectionism and environment: empirical and methodological contributions.

Introduzione al tema: (*max 300 parole*)

This panel collects four contributions that analyze, from different perspectives, a series of recent issues related to trade policies and their impacts. In particular, the first three papers deal with various forms of protectionist measures and discuss their short- and long-term effects on international trade, economic development and environment. The fourth paper, conversely, proposes an innovative methodology to recover the bilateral food trade network overtime and to study the dynamics of its social and environmental consequences.

Paper 1:
- Titolo: Trade Unions and Trade Protection
- Autore: Michael Blanga-Gubbay, ECARES, Université Libre de Bruxelles, michaelblangagubbay@gmail.com
- Abstract

I systematically explore the role of trade unions in the political economy of trade policy, studying both their lobbying expenditures and their campaign contributions. Using detailed information from lobbying reports filed under the Lobbying Disclosure Act, I first show that unions are the main opposing force to the ratification of free trade agreements (FTAs). Unions that are larger and operate in tradable sectors are more likely to lobby against FTAs and to spend more opposing these agreements. I then study union's PAC contributions to political parties. During the last three decades, more than 90% of unions' PAC contributions were directed to Democratic candidates. I show that this has drastically changed since Trump's presidential campaign. Linking data on campaign contributions, lobbying expenditures, and roll-call votes, I find that unions that lobbied against the ratification of FTAs started contributing more to Republican congressmen, benefitting particularly those who have taken an anti-trade stance.

Paper 2:
Titolo: Protectionism and international trade: a long-run view
- Autore: Tullio Gregori, Università degli Studi di Trieste, tgregori@units.it
- Abstract

We investigate the long-run relationship between international trade and protectionism, measured by a sub-component of the KOF globalization index, using a standard import model with a heterogeneous balanced panel of 34 countries over the period 1970-2017. For a performance comparison, the model is tested using GDP and the Import Intensity-Adjusted Demand (IAD) as activity variable. Both specifications are estimated using recent advances in the panel autoregressive distributed lag model literature with cross-sectional dependence. The cross-sectional autoregressive distributed lag (CS-ARDL) and the cross-sectional distributed lag (CS-DL) models provide similar results. Mean group estimates show the proportional impact of IAD on international trade whilst the GDP effect is larger. The long-run protectionism elasticity is always negative and significant but less than half of the import price elasticity.

Paper 3:
-Titolo: Economic and Environmental Sustainability of Autarkic Food Provision Policies in Case of Shocks: The Case of Qatar's Blockade
- Autore: Annamaria Mazzoni, Qatar Environment and Energy Research Institute (Qatar Foundation) e Università degli Studi di Torino, amazzoni@hbku.edu.qa
- Abstract

In this study, I explore how countries' food security strategies can be impacted upon by an exogenous trade shock, and how autarkic food supply strategies could, in turn, affect water resources supply. The 2017 blockade imposed on Qatar by Bahrain, Egypt, Saudi Arabia, and the United Arab Emirates highly modified the trade patterns of Qatar, whose imports made up to 90% of its food supply, 60% of which through the Saudi border and 20% from the other blockading countries. First, I evaluate the impact of the blockade on trade using a gravity model framework. The results show that the average trade disruption with the boycotting countries resulted in a decrease in imports of 98% and exports of 87% during the period 2016-2018. Further analyses by product category and for selected groups of countries suggest that the agricultural, dairy, and animal products are the most affected by the blockade with a decrease in imports of 88%, 91%, and 86%, respectively. Second, I aim to understand the environmental impacts induced by Qatar's strategic response to the trade shock. The launch of several programs for intensifying local food

production ensured higher food self-sufficiency but also increased the pressure on the water resources. The results of my scenario analyses highlight a rise in the water footprint of almost 3 times by 2023, to meet the government food security strategies, compared to the 2016 scenario, proving the need for investments in new water production infrastructures to ensure sustainability.

Paper 4:
- Titolo: The long history of international food trade
- Autori: Marta Tuninetti, Politecnico di Torino, marta.tuninetti@polito.it
                Tiziano   Distefano,   Università   di   Pisa,   tizianod21@gmail.com, tiziano.distefano@ec.unipi.it
- Abstract
The international trade of food grew dramatically over the last decades with long-lasting impacts on food security and environmental sustainability, in particular on water resources and land use. In this study we try to extend the current available database on country-pair bilateral trade by the application of the methodology recently developed by Distefano et al. (2019) to reconstruct the network topology with a minimum amount of information (i.e., total export and import by country). By combining the RAS algorithm with the Gravity equation, we show that it is possible to accurately recover the network architecture from 1961 to 1985, thus doubling the time series on bilateral trade of crops (maize, wheat, soybeans among others) that is currently available, from FAOSTAT, from 1986 to 2018. In order to provide robustness results we compare the main network indicators (e.g., degree distribution, backbone, flow intensity among others) for in the two periods. Moreover, we also include the information from the main international environmental agreements, during the period under assessment, to provide a better estimation of the main links of the network. The main contribution of this study is threefold: i) we provide a generalizable methodology to recover bilateral trade flows, ii) we extend the available database on bilateral food trade thus allowing for more robust time series analysis, and iii) we evaluate the evolution of social and environmental effects by considering the virtual water, the land use and the intake calories associated to the international food trade from 1961 to 2018.
[Reference: Distefano, T., Tuninetti, M., Laio, F., & Ridolfi, L. (2019). Tools for reconstructing the bilateral trade network: a critical assessment. Economic Systems Research, 1-17.]