

Protection for Free? The Political Economy of US Tariff Suspensions

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Basic results

- Using data from 1999-2006 find that:
 - A measure of (non-expenditure) signaling about opposition to tariff reduction is effective
 - Simply voicing opposition is (much) more effective than lobbying expenditures (for or against)

Strengths of paper

- Precisely measured trade policy instrument
- Congressional focus (less about President or bureaucracy)
- Attempt to disentangle effects of information vs. lobbying expenditures
- Robust to different specifications, including using IV approaches
- Focus more on lobbying than PAC

Potential issues

- Other policy interaction: antidumping, unilateral preferences, FTA negotiations
- Interaction across industries
- Cases that never show up because of strong opposition
- Plausibility of point estimates
 - Increase in one opponent (w/o lobbying): ~15% fall in probability
 - Ratio of effectiveness of: voicing opposition/lobbying =5

Minor Suggestions

- Industry descriptive statistics
- More elaboration of IV up front;