

貿易緊張の緩和に向けてーアジア太平洋地域の連携
Asia's Response to the Trade War

Panel Discussion

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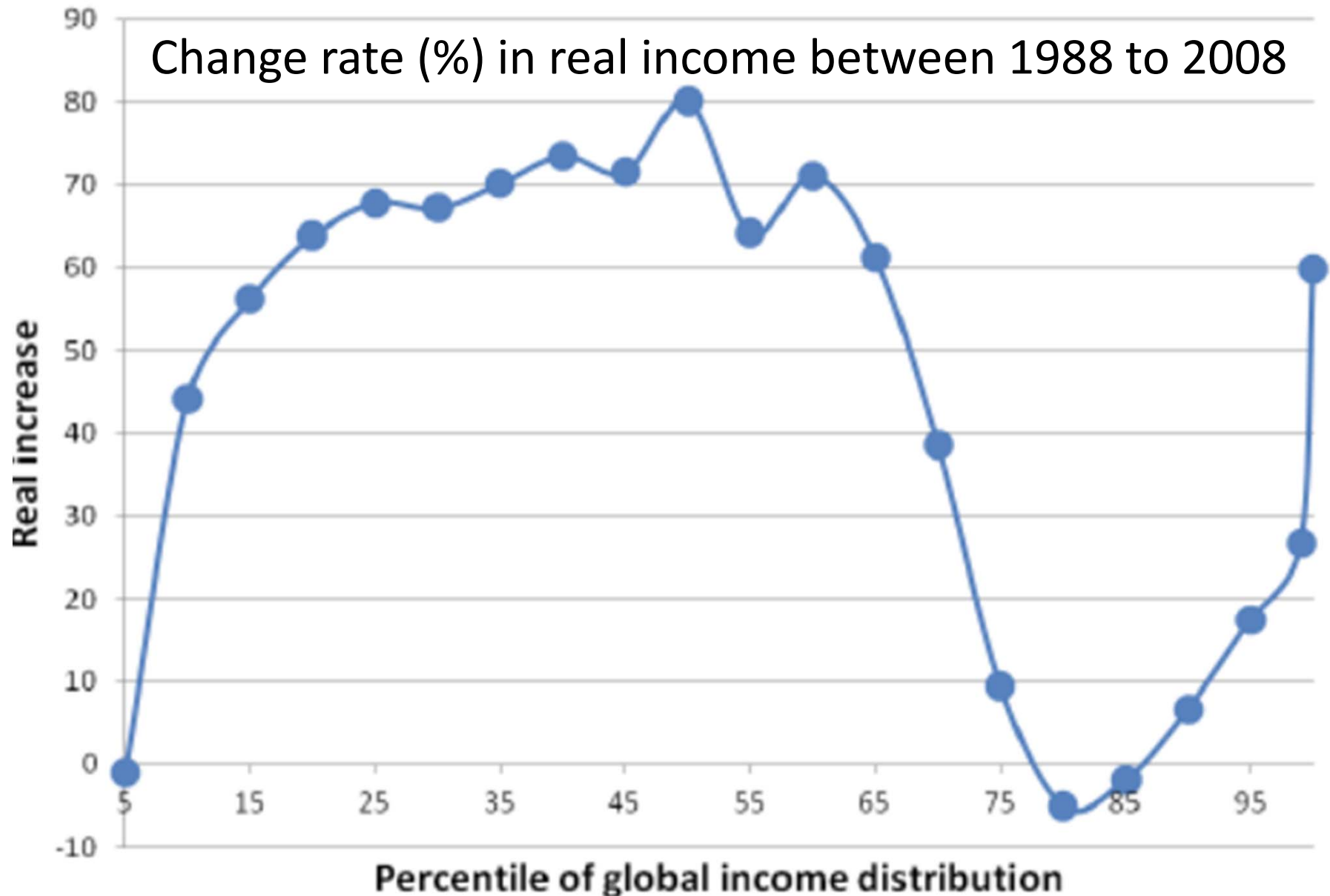
TODO YASUYUKI

A world map with a network of thin, light-colored lines representing trade routes connecting various countries across all continents. The lines are most dense in the Asia-Pacific region and the Atlantic Ocean.

How should we respond to trade wars?

Yasuyuki Todo
RIETI and Waseda University

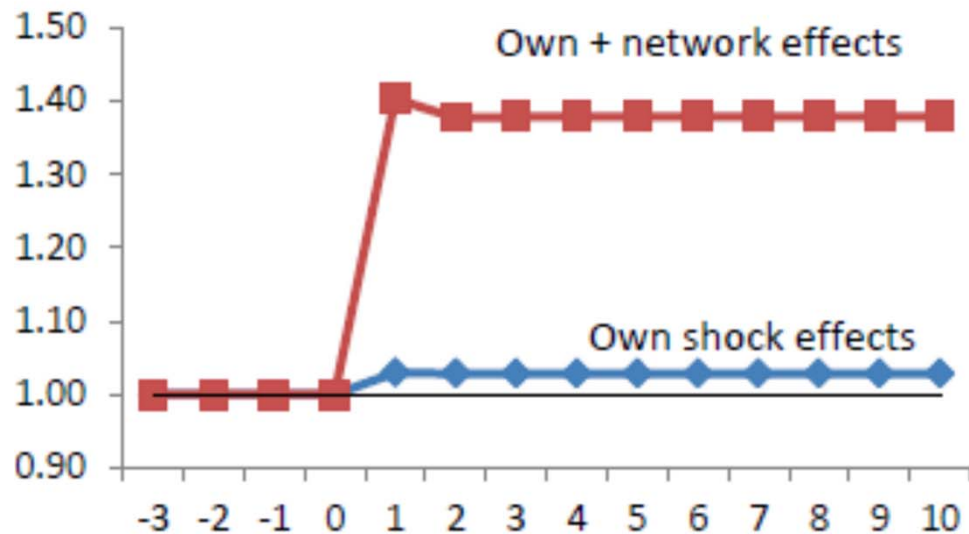
A cause of trade wars: income inequality



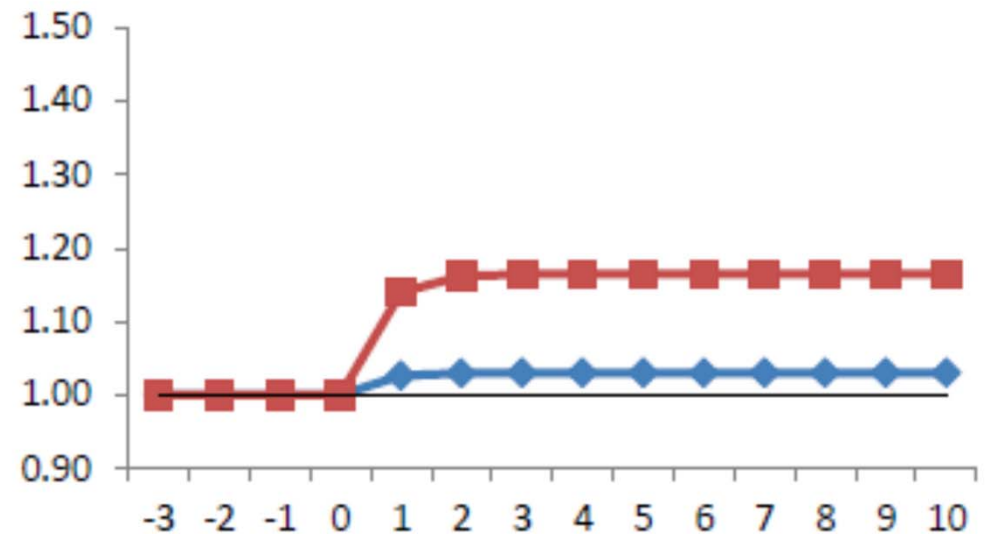
A cause of trade wars: income inequality

Effect of A Reduction in Imports from China to the US by 1 Standard Deviation

A. Chinese imports (reduction), value added



B. Chinese imports (reduction), employment



Acemoglu, Daron, Ufuk Akcigit, and William Kerr. 2016. "Networks and the Macroeconomy: An Empirical Exploration." NBER Macroeconomics Annual 30 (1):273-335.

But not always: Imports from China promote production of their customers in Japan.

Fabinger, Michal, Yoko Shibuya, and Mina Taniguchi. 2017. "International Influences on Japanese Supply Chains." RIETI Discussion Paper, 17-E-022.

A cause of trade wars: income inequality

"We find that **rising import competition was a robust positive contributor to Republican vote gains.**

A counterfactual exercise indicates that **the Democrat candidate would have won** the states of Michigan, Wisconsin, Pennsylvania and North Carolina—resulting in a majority of votes in the electoral college— **if the growth of import competition from China had only been half as large as actually observed."**

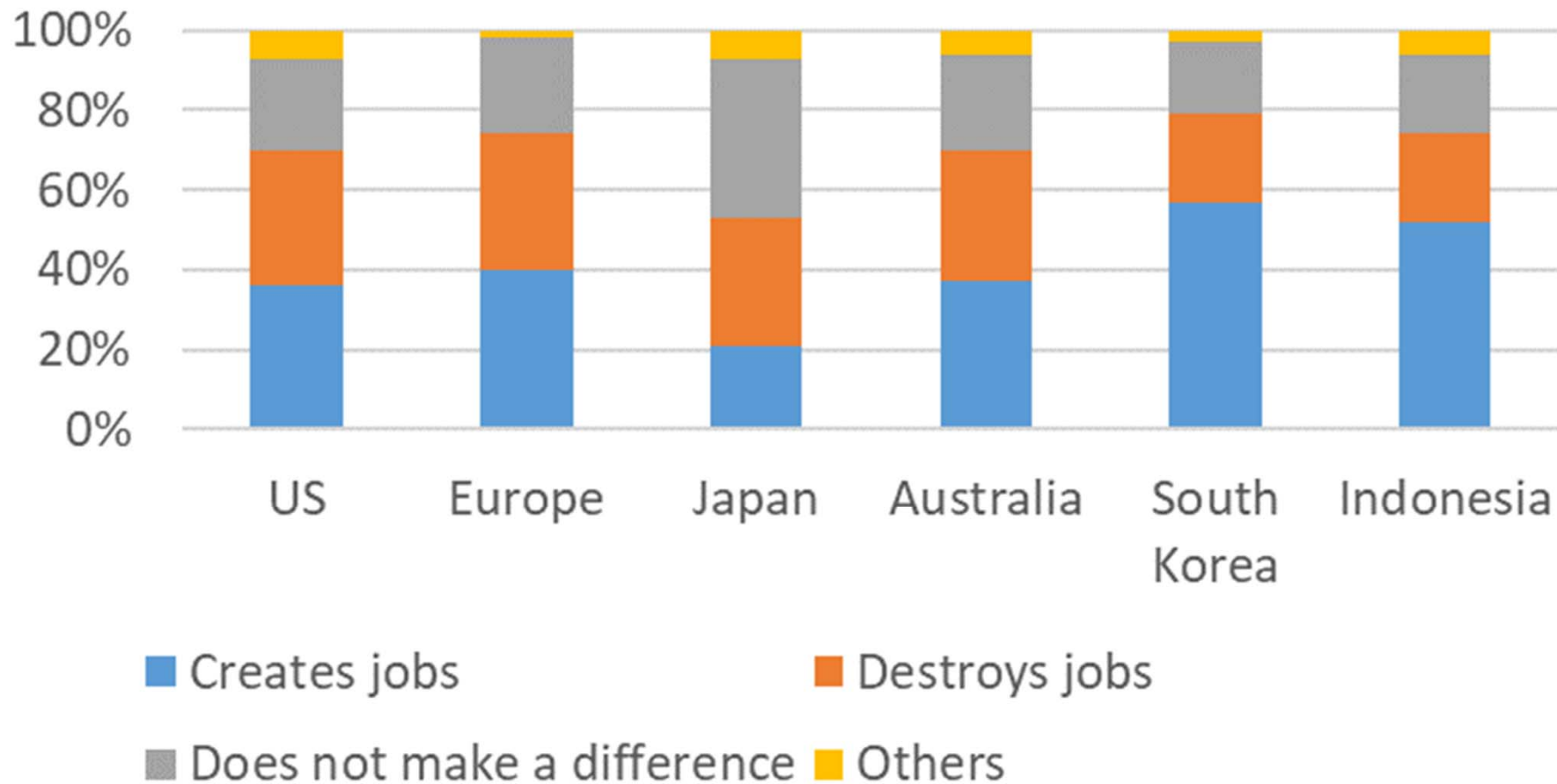
Autor, David, David Dorn, Gordon Hanson, and Kaveh Majlesi. 2016. "A Note on the Effect of Rising Trade Exposure on the 2016 Presidential Election." Unpublished Manuscript, available at http://www.kavehmajlesi.com/uploads/7/2/8/9/7289299/appendix_trumpvote_v5.pdf.

Similar finding in Europe

Colantone, I., and Stanig, P., 2017. The trade origins of economic nationalism: Import competition and voting behavior in western Europe. BAFFI CAREFIN Centre Research Paper, No. 2017-49.

Income inequality alone cannot explain the substantial antipathy to globalization

Trade with other countries ...



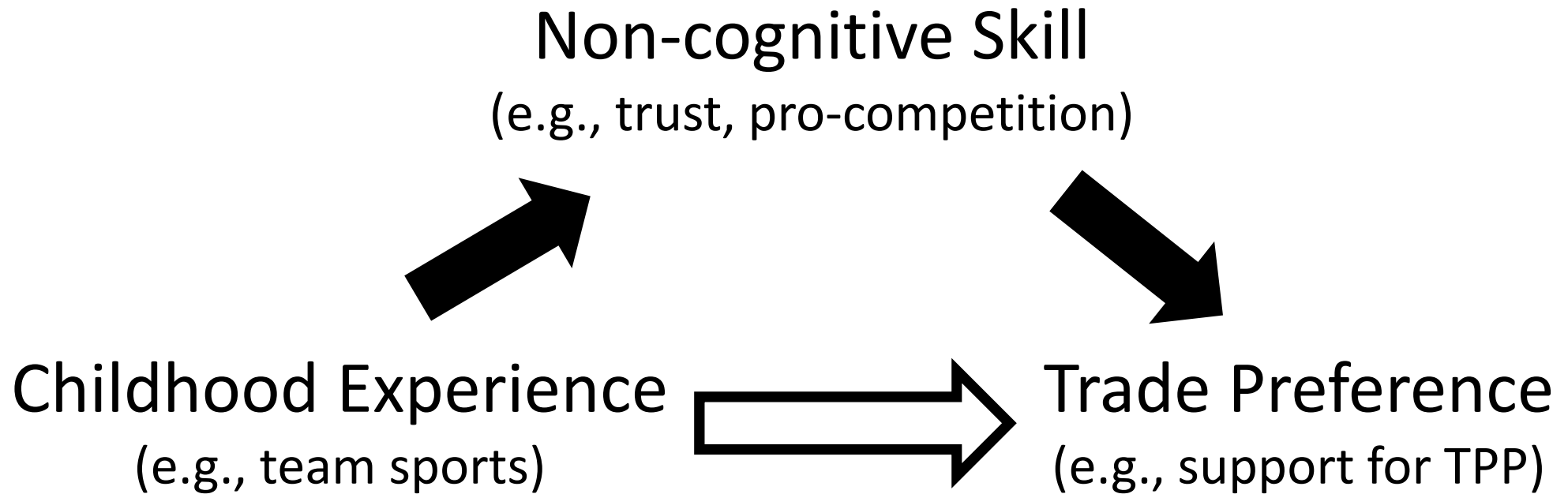
Pew Research Center. 2018. Americans, Like Many Other Advanced Economies, Not Convinced of Trade's Benefits.

Note: Europe consists of France, Germany, Greece, Italy, Poland, Spain, and the UK.

Another possible cause: intrinsic closed nature of human beings

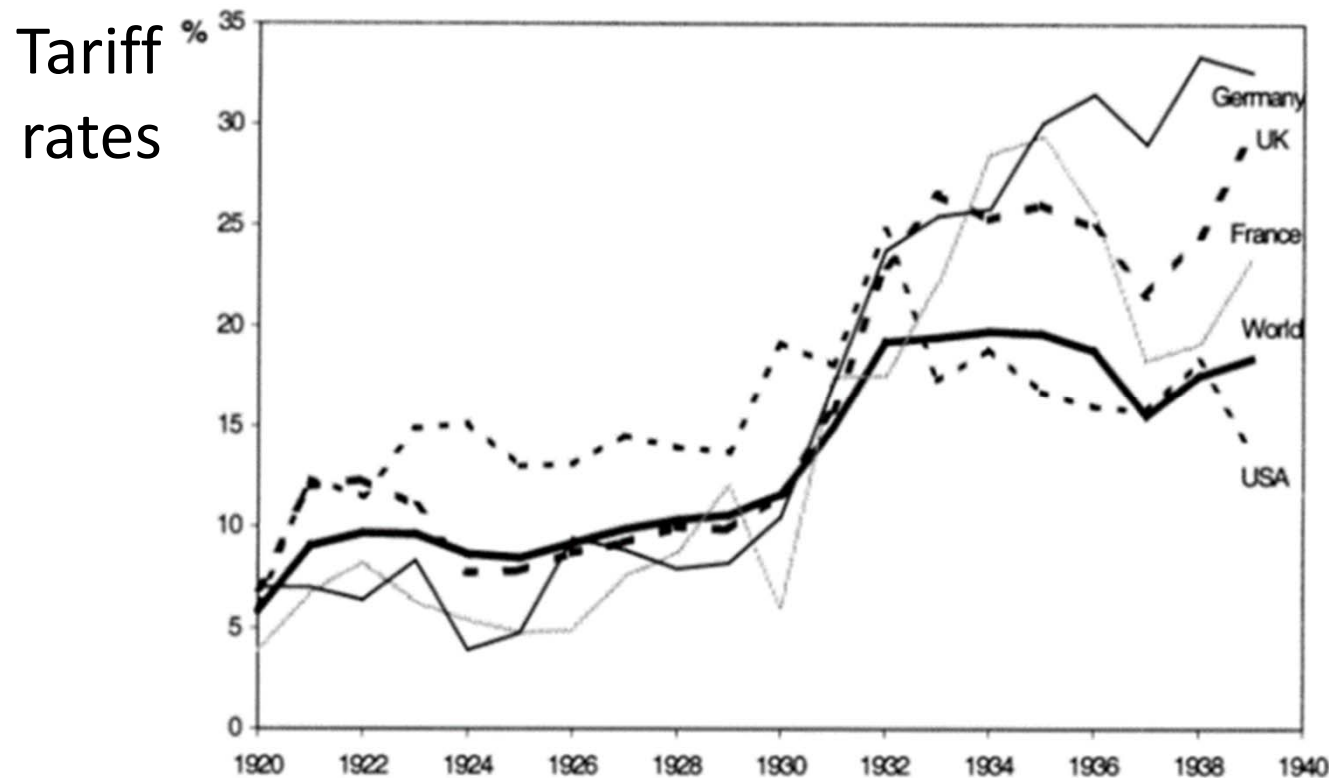
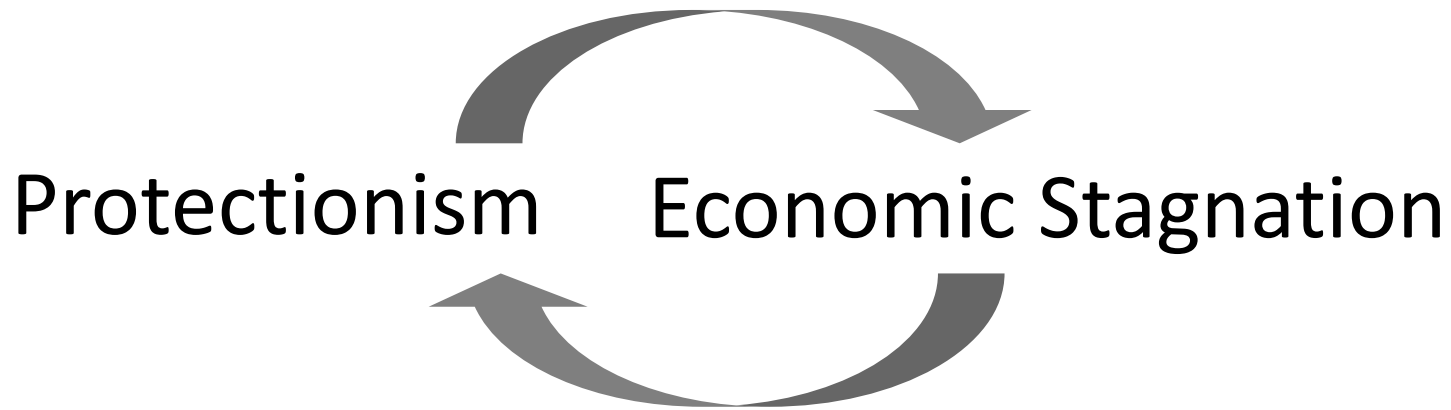


Social experiences open up our mind



Yamamura, Eiji, and Yoshiro Tsutsui. 2018. "Trade Policy Preference, Childhood Sporting Experience, and Informal School Curriculum: An Examination of Views of the TPP from the Viewpoint of Behavioral Economics." *Review of International Economics*.

Devastating consequences of trade wars



Madsen, Jakob B. 2001. "Trade Barriers and the Collapse of World Trade During the Great Depression." Southern Economic Journal: 848-868.

How to respond to trade wars

Policies to reduce income inequality

- Re-education of workers in traditional sectors
- Flexible labor markets

Policies to promote open-mindedness

- Educate benefits of globalization
- Exchange programs among students, business persons, researchers, policy makers