

1. Record Nr.	UNINA9910821248803321
Autore	Zhang Zhiwei
Titolo	Collateral Damage : : Exchange Controls and International Trade // Zhiwei Zhang, Shang-Jin Wei
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2007
ISBN	1-4623-6088-2 1-4527-5113-7 1-283-51148-7 1-4519-1025-8 9786613823939
Edizione	[1st ed.]
Descrizione fisica	1 online resource (41 p.)
Collana	IMF Working Papers
Altri autori (Persone)	WeiShang-Jin
Disciplina	343.032
Soggetti	Foreign exchange - Law and legislation International trade Balance of payments Non-tariff trade barriers Exports and Imports Foreign Exchange Taxation International Investment Long-term Capital Movements Trade Policy International Trade Organizations Trade: General Currency Foreign exchange International economics Public finance & taxation Exchange restrictions Capital controls Tariffs Imports Capital movements Tariff Chile

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"January 2007."
Nota di bibliografia	Includes bibliographical references (p. 14-15).
Nota di contenuto	Cover Page; Title Page; Copyright Page; Contents; I. Introduction; II. Exchange Controls: Some Basic Patterns; 1. Evolutions of Restriction Indices; 1a. Summary Statistics for Restriction Indices; 1b. Correlations of the Control Indices, Tariff, and NTB Index; 2. Control Indices in Selected Countries; III. Statistical Analysis; 2. Benchmark Regressions; 3. Adding Time-varying Price Indices; 4. Developing Countries; 5. Additional Controls: Corruption and Trade Openness; 6. Finer Classification of Exchange Controls; 7. Emerging Market Economies during 1996-99; IV. Concluding Remarks 1. Exchange Controls: Source, Measurement, and Indices 2. List of Countries in the Sample; References; Footnotes
Sommario/riassunto	While new conventional wisdom warns that developing countries should be aware of the risks of premature capital account liberalization, the costs of not removing exchange controls have received much less attention. This paper investigates the negative effects of exchange controls on trade. To minimize evasion of controls, countries often intensify inspections at the border and increase documentation requirements. Thus, the cost of conducting trade rises. The paper finds that a one standard-deviation increase in the controls on trade payment has the same negative effect on trade as an increase in tariff by about 14 percentage points. A one standard-deviation increase in the controls on FX transactions reduces trade by the same amount as a rise in tariff by 11 percentage points. Therefore, the collateral damage in terms of foregone trade is sizable.