

題名：The Politics of Tariff Cooperation in the Presence of Trade Costs (中部大学須佐大樹先生との共著)

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要旨：This study explores tariff cooperation under a representative democracy, comparing national welfare realized in three trading regimes: most favored nation (MFN), customs union (CU), and free trade agreement (FTA). Two points are addressed: Why have FTAs increased in recent decades when theoretical studies predict that CUs increase the level of national welfare? Second, why are most CUs formed between countries located near each other while FTAs can be formed between countries located far away? We build a model that examines the effect of trade costs and how tariff policy is determined in a representative democracy. We find that when the countries' income distribution is largely skewed, an FTA is more beneficial due to trade costs. However, when member countries are located near each other, a CU realizes the higher welfare.