

**Research Poster from the**  
***Canadian Agricultural Trade Policy and Competitiveness Research***  
***Network (CATPRN)***  
***Enabling Research for a Competitive Agriculture***



---

**Abstract CATPRN-01**

**An Empirical Investigation into the Determinants of Trade Policy Bias**

Matthew Hink, Ryan Cardwell and Chad Lawley  
University of Manitoba

We use measures of trade bias calculated in the World Bank Distortions to Agricultural Incentives database (Anderson and Valenzuela, 2008) to explain trade bias in agriculture. We find little empirical evidence that governments pursue trade policies to reduce inequality (in the tradition of Limao and Panagariya, 2007) within the agricultural sector. Lagged trade policies are significant determinants of current trade policy, suggesting the presence of policy persistence. We conclude that it is difficult to generalise determinants of trade policy across a wide panel of countries, and that specific knowledge of governments' priorities are required to explain trade bias.