

# *Trade barriers: Theory and applications*

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## **Abstract**

*Globalization's acceleration since the mid-1980s was driven by two key indicators: technological advances and increasing liberalization of trade. The end of the 2<sup>nd</sup> World War marked the beginning of a multi-dimensional cooperation in international level. Especially more and more governments started to recognize the crucial importance of international trade and decided gradually to remove their protectionist policies and open their economies towards foreign competition. International institutions such as World Bank, International Monetary Fund (IMF), General Agreement on Tariffs and Trade (GATT) or World Trade Organization (WTO) play a very important role in promoting free trade and facilitating international flow of goods and capital. Democratic systems tend to employ lower trade barriers compared to other governmental systems. In addition, globalization wave has especially removed borders and facilitated international trade. Nonetheless, time has shown that implementing free trade is almost a perfect condition which is hard to be achieved. Countries, for several internal and external reasons, decide to employ trade obstacles. This paper aims to examine most common trade barriers and presents several case studies on barrier confirmed notifications.*

**Keywords:** *International trade, Protectionism, Trade barriers, Tariffs, Subsidies*

## 1. Introduction

One of the most important benefits of an open economy is the increased access to international markets. For a company operation more than in one country is already recognized that it get valuable benefits in term of competitiveness, labour, technology and know-how, in overall terms helping them to be more productive. Nonetheless, high exposure to international trade entails risks as well. Removing all protectionism measures means opening the country economy to the international competition. This means that, especially infant or fragile sectors or industries may have to face with a harsh global competition which may seriously harm them. For this reason, sometimes governments decide to intervene with measures that make imports more expensive or less competitive in the national market. Among arguments supporting protectionism measures are national defence, trade deficit, employment, infant industries, and fair trade (Abboushi, 2010). Beside the protective effects of such measures, still there is a high risk that maintaining such barriers for a long time may cause a low-productive production in the country due to the lack of competition.

The last global economic crisis is widely recognized as the work crises since the Great Depression and it did not pass without consequences for the international economy. This crisis, even though initiated in the financial sector in the USA, was soon spread all over sectors and seriously affected international transactions. After 2008, many countries started to take protectionist measures (including Turkey). The objectives of this paper are three-fold: to develop a theoretical background on trade barriers; to briefly examine Turkey's barriers on exports; and to introduce 10 cases imposed trade barriers.

## 2. Trade Barriers Theoretical Background

### 2.1. Trade Barriers Definitions

As for many other concepts, there are no strict definitions over what can be considered as a trade barrier. In the 2016 National Trade Estimate Report on Foreign Trade Barriers, this concept is defined as “government laws, regulations, policies, or practices that either protect domestic goods and services from foreign competition, artificially stimulate exports of particular domestic goods and services, or fail to provide adequate and effective protection of intellectual property rights” (Froman, 2016, pp. 1). According to the UN Economic and Social Council

(ECOSOC), trade barriers can be defined as “barriers that government or another type of authorities put to make imported goods or services less competitive. Not everything that prevents or cancels trade can be characterized or called as a trade barrier”. European Commission defines trade barriers or obstacles to trade in a more implicit way as “any trade practice adopted or maintained by a third country in respect of which international trade rules establish a right of action”. Abboushi (2010) defines protectionism as “the sum of government trade policies intended to assist domestic producers against foreign producers in a particular industry, by means of raising the price of foreign products, lowering cost for domestic producers, and limiting foreign producers’ access to domestic market”. Finally, Turkish Ministry of Economy defines trade barriers as “tariff, non-tariff and other administrative measures affecting the normal course of international trade”.

As it can be seen from the above statements, there is no a generally accepted definition of trade barriers. Nonetheless, by the considered literature I can dare to define the main idea of trade barriers. Simple speaking, they are just obstacles arising from the rules and regulations governing trade either from home country or host country or intermediary. Normally, trade barriers are man-made hurdles to the free international movement of goods and services.

## 2.2. *Trade Barriers Classifications*

The same as per the definition, there is no a generally agreed classification on barriers to trade. Within the scope of this paper, there will be consider four classifications on trade barriers, respectively those provided by Turkish Ministry of Economy, the Office of the United States Trade Representative (USTR), the European Commission and World Trade Organization.

### 2.2.1. *Trade Barriers Explanation as per Turkish Ministry of Economy*

Official website of Turkish Ministry of Economy gives a detailed explanation regarding as per what can be considered as trade barrier according to them. Referring to this resource, trade barriers can be classified as following:

#### 1. Trade barriers related to investment

- It is required to used domestic products at certain levels or amounts of the investment;
- According to the level of domestic product usage, there are offered tax and other encouraging incentives for the foreign investors (foreign country);
- Different application of rules and regulations related to the investment for foreign investors from those that apply for domestic ones;
- Nationalization of foreign investment
- Others

## 2. Tariffs and Customs Barriers

In general terms, a tariff is a tax imposed by the government on imports and the main purpose is to protect domestic products by increasing the price of imported products.

- Incorrect classification of products as per regard to the tariff categories;
  - Unnecessary documentation requested by the customs administration;
  - Problems experienced with Custom Consultancy services;
  - Application of minimum of reference price;
  - Applications that violate National treatment or Most Favoured Nation rules;
  - Applications of customs duties on higher levels than required by law;
  - Importer fails to access necessary information and data regarding custom procedures in the country.
- ## 3. Standards, testing, labelling and certification barriers
- Technical regulations that does not fit to international agreements and rules;
  - Too frequent changes on technical regulations and standards;
  - Burdensome and time consuming testing requirements;
  - Burdensome and time-consuming certification requirements;
  - Unclear Process;
  - Others.
- ## 4. Barriers related to the origin rules
- Problems related with the certification and marking from the country of origin
  - Problems related with the acquisition of origin;
  - Importer fails to access necessary information and data regarding rules of origins in the country;
- ## 5. Barriers to Trade in Services
- Limiting the number of service providers
  - Shortening the value of services related processes or total assets;
  - Restricting the total number of service-related transactions or the total the quantity of service output;
  - Restricting the number of natural persons offering the service;
  - Constraints or requirements regarding the type or legal form of the service provider;
  - Regarding the participation of foreign capital, restriction in the form of maximum percentage that can be owned from a foreign shareholder or partner;
  - Different treatment of another country service provider or offered compared to the domestic providers.

6. Problems related to Intellectual Property Rights Protection
  - Imitation in the foreign markets of the patented, branded and copyrighted products;
  - Problems with registration of patents, trademarks or copyrights of foreign countries
  - Others
7. Other Market Entry Barriers
  - Due to the application of subsidies in domestic products against international agreements and rules, makes impossible entrance to the market;
  - Applications of anti-dumping, subsidies and other protection measures against international rules;
  - Against international rules, the control of the market by domestic or single firms;
  - Imposing restrictions to wholesalers, retailers or customers as per regarding to the product distribution, marketing, selling, documentation of purchasing transaction, licensing etc.

*2.2.2. Trade Barriers Explanation as per The Office of the United States Trade Representative*

The Office of the United States Trade Representative (USTR) classifies foreign trade barriers into ten different categories:

1. Import policies such as: tariffs and other import charges, quantitative restrictions, licensing for imports, customs duties etc.;
2. Sanitary and phytosanitary measures and other technical barriers;
3. Government procurement such as “buy national which means that in certain sectors or goods, governments purchases should be only from companies the produce in the country) or closed bidding which means that all buyer make their offers without having any information about others’ bids and is the seller who takes the final decision;
4. Export subsidies;
5. Lack of intellectual property protection such as inadequate patenting, copyright, and trademark regimes and enforcement of intellectual property rights;
6. Services barriers such as limits on the range of financial services to be provided by foreign companies, regulation of international data flows, restrictions on the use of foreign data processing, and barriers to the provision of services by foreign professionals;
7. Investment barriers such as limitations on foreign equity participation

- and on access to foreign government-funded research and development programs, local content requirements, technology transfer requirements and export performance requirements, and restrictions on repatriation of earnings, capital, fees and royalties;
8. Government-tolerated anticompetitive actions conducted by state-owned or private companies that restricts trade transactions in the foreign country's markets;
  9. Trade restrictions affecting electronic commerce such as tariff and nontariff measures, burdensome and discriminatory regulations and standards, and discriminatory taxation;
  10. Other barriers such as for example bribery, corruption etc.

### *2.2.3. Trade Barriers Explanation as per the European Commission*

In 2008 EU published a list of barriers to be considered as obstacles to market access. The list of barriers can be shown as following:

1. Tariffs and duties
  - Tariff Levels
  - Tariff Quotas
  - Internal Taxation
  - Other Tariffs and duties
2. Trade Defense instruments
  - Anti-dumping measures
  - Countervailing Measures
  - Safeguard Measures
  - Other Trade Defense Measures
3. Non-Tariff Barriers
  - Registration, Documentation, Customs Procedures
  - Quantitative Restrictions and Related Measures
  - Competition Issues
  - Standards, Sanitary, and other technical requirements
  - Government Procurement
  - Subsidies
  - Other-Non Tariff Measures
  - Sanitary and Phytosanitary Measures
4. Investment Related Barriers
  - Trade Related Investment Measures
  - Direct Foreign Investments Limitations
  - Other

5. Intellectually Preparatory Rights Barriers
  - Legislation of Copyright and Related Rights
  - Trademarks Legislation
  - Legislation on Appellations of Origin and Geographical Indications
  - Industrial Design Legislation
  - Legislation on Patents
  - Legislation on Layout Designs of Integrated Circuits
  - Enforcement Problems on IPR
  - Other IPR Related Problems
6. Other (Export Related)
  - Export Prohibition and Other Quantitative Restrictions
  - Export Taxes
  - Discriminating Export Licensing
  - Export Subsidies
7. Service Specific Measurements
  - Market access (quantitative) measures
  - Discriminatory treatments
  - Non quantitative, non-discriminatory measures (domestic regulation)
  - Other trade in service issues

#### *2.2.4. Trade Barriers Explained as per World Trade Organization*

World Trade Organization offers another classification system on trade barriers.

1. Anti-dumping
2. Countervailing
3. Quantitative Restrictions
4. Safeguards
5. Sanitary and Phytosanitary
6. Special Safeguards
7. Technical Barriers to Trade
8. Tariff-rate quotas
9. Export Subsidies

### **3. Case Studies**

Even though nowadays most of the countries there are implemented democratic systems and most for them have signed several agreements as per regard to free trade, still there many disputes regarding assumed violation on those rules and standards. If we refer to the data provide by the WTO, clearly will be seen that

highest number of disputes delivered to the WTO was initiated by USA or the EU. The following table shows ten selected cases regarding barriers on trade are retrieved from the respective official websites of WTO. Selection of cases has been done in accordance with the theoretical content of this paper, aiming to choose at least one representative case for most common trade barriers. Table no.1 is a summary of all available documentation regarding the cases in consideration.

**TABLE 1: 10 cases of WTO trade disputes**

Case 1: Brazil – Thailand		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	4/4/ 2016 Brazil Thailand Agriculture Subsidies concerning Sugar Ongoing	There is an open consultation regarding possible violation of some of the articles of the GATT, Agreement on Agriculture, and Agreement on Subsidies and Countervailing Measures concerning the subsidies provided by Thailand to the sugar sector. According to the dispute, Thailand strictly controls virtually every aspect of its sugar sector, including the production, storage, transport, sale, import, export, and other activities applicable to cane, raw sugar, white sugar, molasses, and other categories on this product. Thailand imposes a quota system that limits the quantity of sugar sold in the domestic market and imposes price controls on ex-factory, wholesale, and retail sales of cane and sugar in the country. Those measure introduced by Thai Government increases the price of the sugar produced for domestic consumption. Sugar produced in excess of this quota cannot be sold internally and must be exported abroad. Thailand also provides subsidies to convert substantial agriculture land from rice to cane production and to develop additional capacity to manufacture cane into sugar.
Case 2: Japan – South Korea		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	1/6/2015 Japan South Korea Food Industry Import bans & additional testing and certification requirements Ongoing	In June 2015 Japan opened a consultation with South Korea regarding with the argument that South Korea is taking measures that harm its Japan's food exports to this country. Some of the pretended violations are: 1. Import bans on certain food products; 2. Additional testing and certification requirements regarding the presence of certain radionuclides 3. Several alleged omissions concerning transparency obligations under the SPS Agreement. Korea's measures were adopted subsequent to the accident at the Fukushima Daiichi nuclear power plant in March 2011. Following the accident, Japan reported bans on the import of certain food products from some 13 Japanese prefectures, and in cases where there was detected radionuclides in certain food products coming from Japan, additional testing and certification requirements regarding the presence of radionuclides are imposed. In September 2013, Korea Government decided to extend the scope of its import bans to all fishery products caught or landed in 8 Japanese prefectures, and extended the additional testing and certification requirements regarding the presence of some specific radionuclides. In addition, Japan claimed for the lack of transparency from the Korean Government regarding its SPS measures at issue. In December 2014 and January 2015, there was an expertise visit to Japan. Moreover, joint sampling of fishery products and ocean water were conducted by both Japan and Korea. Even though the results of all analyses were are significantly below the threshold, Korean Government's restrictions continued.
Case 3: EU – Russia		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	31.10.2014 EU Russia Agricultural & manufacturing Tariff Ongoing	In reference to the dispute, there is another case opened by the EU assuming that there is tariff treatment Russia does to several goods (both agricultural and manufacturing sectors). Those measures negatively affect exports of these goods from the EU to Russia. As per regarding this case, the EU presents the following arguments: - For certain goods, including paper and paperboard, there are evidences that the applied ad valorem duty rates exceed the ad valorem bound rates. For instance, in 5 product categories the applied duty of 15% or 10% clearly exceeds the bound rate which is set at 5%. - In addition, as per regarding to some goods with coming from the EU, Russia does not base their valuation for customs purposes on the actual value of imported merchandise on which duty is assessed.



Case 4: Indonesia – Australia		
		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	20/9/2013 Indonesia Australia Tobacco Trademarks, geographical indications, and other requirements Undergoing	This is another dispute brought for consultation by Indonesia regarding some assumed trade barriers in Australia. This dispute addresses some Australian laws and regulations that impose restrictions on trademarks, geographical indications, and other plain packaging requirements on tobacco products and packaging. The measures establish comprehensive requirements regarding the appearance and form of the retail packaging of tobacco products, as well as the tobacco products themselves. The measures also establish penalties, including criminal sanctions, for the violation of these requirements. In more detail, those measures can be explained as following: <ol style="list-style-type: none"> <li>1. Regulations regarding the appearance of trademarks and geographical indications, including by prohibiting the display of design and figurative features, including those forming part of these intellectual property rights;</li> <li>2. Requirements that the brand and variant names forming part of trademarks appear on the front face, top and bottom of the package in a uniform typeface, font, size, color, and placement;</li> <li>3. Prohibition to display other words (except for basic information, including country of origin and manufacturer contact details);</li> <li>4. Clear specification on how the product should be: quality, color, size, shape etc.</li> </ol>
Case 5: Brazil – Indonesia		
		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	4/4/2016 Brazil Indonesia Food Industry SPS Undergoing	This dispute came as a request of Brazil to discuss entrance barriers to the Indonesia market. Brazil for years has undertaken efforts to enter the Indonesian bovine meat market. Beside Brazil's attempts, Indonesia has maintained and adopted restrictive rules and procedures which effectively prohibit or restrict Brazilian bovine meat from entering the Indonesian market. Indonesia's restrictive measures are a combination of are of legal instruments, administrative actions and omissions that result in an import ban on certain bovine meat products (secondary cuts, offal and carcass); in a quantitative restriction on other bovine meat products (prime cuts); and in an evident discrimination between Brazil and other suppliers of these products. <p>Indonesia imposes prohibitions or restrictions on the importation of bovine meat through:</p> <ol style="list-style-type: none"> <li>1. The maintenance by Customs of positive lists that do not include several Harmonized System codes for bovine products;</li> <li>2. The imposition of quarterly import quotas, randomly defined by the Indonesian authorities;</li> <li>3. Discriminatory assignment of the mentioned quota among importers;</li> <li>4. Sanitary measures which are not based on international standards, guidelines or recommendations nor are scientifically justified, and which are also more restrictive than;</li> <li>5. Technical regulations (such as size, package, etc.) applied in a discriminatory manner;</li> <li>6. Non-transparent and restrictive import licensing requirements.</li> <li>7. Importation of bovine meat is prohibited when domestic production is sufficient to fulfill domestic demand;</li> <li>8. Imports of certain animals and animal products are prohibited or restricted when the prices of those products fall below certain reference prices;</li> <li>9. Importation is only allowed to certain types of use;</li> <li>10. There are trade restrictive rules regarding shipping, warehousing, and transportation</li> <li>11. Indonesia only accepts imports of bovine meat from countries that have their entire territory declared as free of Foot and Mouth Disease (FMD);</li> <li>12. Indonesia adopts technical regulations concerning the halal condition of bovine meat which are less-favorable to the products of foreign origin. Even though Brazil fulfills all international standards regarding halal products, there is still discrimination regarding the origin.</li> <li>13. With regard to the import-licensing regime, Indonesia unduly restricts the access to its market of bovine meat through a non-transparent and intricate process.</li> </ol>
Case 6: EU- USA		
		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	19/12/2014 EU USA Aircraft Industry Subsidies and Countervailing Measures Undergoing	In this dispute, the EU requested consultations with the USA regarding the conditional tax incentives established by the State of Washington in relation to the development, manufacture, and sale of large civil aircraft. State of Washington, as part of its efforts to convince Boeing manufacture its new 777X model of large civil aircraft in Washington State, vastly expanded and amended its existing aerospace tax incentives, thereby providing billions of dollars in additional subsidies to Boeing. In addition, the production and storage of the wings and final assembly for a new commercial aircraft model or variant was decide to exclusively in Washington State.

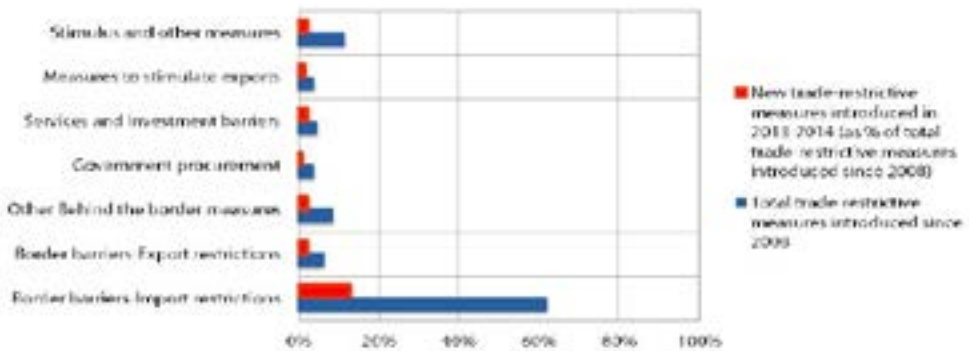
Case 7: China – EU		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	5/11/2012 China EU (Greece, Italy) Renewable Energy Generation Sector Subsidies and Countervailing Measures & Trade- Related Investment Measures N/A	In difference from the case 5, for this dispute provided information was quite limited. This dispute initiated by China requested consultations with the EU certain measures, including domestic content restrictions that affect the renewable energy generation sector relating to the feed-in tariff programs of EU member States, including but not limited to Italy and Greece.
Case 8: India – Turkey		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	13/2/2012 India Turkey Agriculture (cotton yarn) Safeguard N/A	In this dispute, India requested consultations with Turkey regarding certain safeguard measures on imports of cotton yarn (other than sewing thread) from all origins. According to India, there it has experienced the consequences of such safeguard measures on imports for at least three years (since the first introduction of those measures in 2008). India alleges that Turkey imposed provisional safeguard measures without making the required determination in the relevant review and concluded such review by recommending the continuation of the measures. More specifically, the following measures taken by Turkey seriously concern India: 1. Definitive Safeguard Measures on imports of cotton yarn (other than sewing thread); 2. Extension of the period of application of definitive Safeguard Measures. Measure was expected to expire on 14 July 2011. The extension was performed without following the normal procedure and no determination of why this extension was considered necessary was provided;
Case 9: Guatemala – Peru		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	12/4/2013 Guatemala Peru Agriculture Customs Valuation Resolved with Agreement	In 2013 Guatemala requested consultations with Peru regarding the imposition by Peru of an "additional duty" on imports of certain agricultural products, such as rice, sugar, maize, milk and certain dairy products. According to the dispute, the additional duty is characterized by the following: 1. A specific additional duty is added to the normal customs duty on imports of the specified products; 2. Such an additional duty applies "when the international reference prices of such products are below certain floor price levels, and tariff are discounted when these reference prices are above certain ceiling price levels"; 3. The amount of the additional duty is specific and expressed in US \$/ton; 4. the amount varies periodically; 5. It is payable upon importation of the affected products, together with the ordinary customs duty and other import taxes on the affected products.
Case 10: Hungary – Turkey		Description
Date of request: Complainant: Respondent: Dispute Sector: Barrier Category: Status:	3/5/2002 Hungary Turkey Agriculture SPS N/A	This request is regarding Turkey's import ban on pet food from Hungary. Hungary requested a consultation with a claim for such an import ban, which applies to any European country from the beginning of 2001, is imposed with the declared intention to be protected against the spread of BSE (Bovine Spongiform Encephalopathy). Since Hungary is a BSE-free country, the danger of alleged cross-infection does not seem to have any scientific basis. Hungary also noted that its pet food is used exclusively for the feeding of cats and dogs. It is even less clear that how the alleged risk of BSE might justify the import ban of products made of animals other than ruminants. Thus there is a basic question concerning the scientific justification of the import ban for Hungarian products. In addition, Hungary submitted that there was neither official publication of the Turkish regulation imposing the ban, nor notification of it to the relevant WTO Committee.

Source: WTO (2016)

#### 4. Trade Barriers: Turkey as a case in focus

According to the EU report prepared by Barone & Bendi (2015), since 2008 Turkey has implemented 24 potentially trade-restrictive measures. Turkey is member of G20 and has a country's share of about 3%. Among different restrictive measures used, the most preferred have been regulations of trade at entry. According to this report, over 60% of the restrictive measures have so far been import restrictions.

**FIGURE 1:** Trade-restrictive measures introduced by Turkey since 2008 and in 2013-2014



Source: Barone & Bendini (2015)

In July 2013 Turkey announced an increase of import tariffs on walnuts from 43.2% to 66%. In August 2014, Turkey approved tariff increases on footwear products with customs duties reaching 50%. As per regard to public procurement, in May 2014 Turkey started granting a 15% domestic price advantage to bidders offering domestic products (EU 11<sup>th</sup> Report on Potential Trade - Restrictive Measures, 2014). Referring to figure 1, it is easily noticed that more than 60% out of the total trade restrictive measures introduced since 2009, are border barriers import restrictions. Turkey as well applies several different restrictive measures such as quotas, subsidies, etc. Surprisingly, if we consider the database of the WTO on trade disputes, we can notice that there are just a few cases when Turkey is the respondent. More specifically, up to now there are in total 9 settlements since in 1995.

#### 5. Index of the Economic Freedom as an indirect measures of trade barriers

The Index of Economic Freedom (IEF) is an annual index and ranking created by The Heritage Foundation and The Wall Street Journal in 1995 to measure the degree

of economic freedom in the world's nations. This is a reliable measure considering the economic freedom based on four main categories: Rule of law (Property Right and Freedom from Corruption), Limited Government (Government Spending), Regulatory Efficiency (Business Freedom, Labor Freedom and Monetary Freedom), and Open Markets (Trade Freedom, Investment Freedom and Financial Freedom).

As per regarding to Turkey, considering the 2016 Index, the overall score is 62.1 out of 100, holding the 79<sup>th</sup> position in the global ranking. Turkey is considered a moderately free country implying that there are moderately applications of trade barriers in the country. If we considered the decomposed version of the index, Turkey has recognized notable successes as per regard to open markets. Nonetheless, Rule of Law, Business Freedom and Labor Freedom are still of high concern for the country. According to the associated explanation of the Index, Institutional weaknesses are among key reasons for lack of economic freedom. I addition, corruption and inefficiency in the judicial system are another factors questioning economic freedom in Turkey.

With interest for this paper is as well the consideration of global ranking according to IEF. Table below shows categories of economic freedom and some of the respective countries for each category.

**TABLES 2:** Country Ranking – IEF 2016

Category	Country
Free (100-80)	Hong Kong, Singapore, New Zealand, Switzerland & Australia.
Mostly Free (79.9-70)	Canada, USA, UK, Denmark, Germany, Japan, UAE etc.
Moderately Free (69.9-60)	Turkey, Albania, Kosovo, Cyprus, Spain, Belgium, Macedonia, Bulgaria, Italy, France, Ghana, Kazakhstan etc.
Mostly Unfree (59.9-50)	Indonesia, Mongolia, Croatia, Gabon, Zambia, Bosnia & Herzegovina, Egypt, Pakistan, Cameroon, Vietnam, Bangladesh, Greece, Tunisia, Kenya, Moldova, Mali, Brazil, India, China, Tajikistan, Russia.
Repressed (49.9-40)	Angola, Belarus, Burma, Ukraine, Uzbekistan, Argentina, Iran, Turkmenistan, Venezuela, North Korea, Cuba etc.
Not ranked	Afghanistan, Iraq, Libya, Sudan, Syria, Yemen, Liechtenstein, Somalia.

Source: 2016 Index of Economic Freedom (2016)

Data appealing for consideration may be the classification of USA as mostly free country but not in the top of the list. USA even though a promoter and safeguard of free trade, still prefers introduction protectionism restriction when needed. Turkey, together with Albania, Kosovo, Macedonia, Italy, France, Spain etc. is considered as moderately free. Surprisingly, even though the EU together

with the USA represent the main suitor to the WTO, EU countries such as Croatia or Greece are categorized as mostly unfree. This classification is very confusing because both countries (Croatia and Greece) are members of a union that has in its foundation free movement of people, capital, goods and services. This unsolved concern can be considered in future researches as a separated research topic.

## 6. Conclusion

Even though free trade is already accepted as the main trend in the international trade, still protectionism is supported as a very good pragmatic solution. Barriers to trade consist in several categories as mentioned in this paper but still developing a static list of trade obstacles is almost impossible. In general terms, introduced trade barriers can be classified as tariff barriers and non-tariff barriers. The importance of tariffs nowadays is quickly diminishing since they represent already a straightforward protectionism measures which are easy to be discovered and suited as a violation of rules agreed in international trade agreements. On the other side, non-tariff barriers are those that countries and international bodies should really concern. They can be in different forms and sometimes it is even difficult to discover those measures (Ma & Lu, 2011).

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## Website Resources

- Ekonomi Bakanlığı: <https://www.ekonomi.gov.tr/>
- European Commission Market Access Database: [http://madb.europa.eu/madb/barriers\\_cross Tables.htm](http://madb.europa.eu/madb/barriers_cross_tables.htm)

WTO Dispute Settlement: [https://www.wto.org/english/tratop\\_e/dispu\\_e/dispu\\_status\\_e.htm](https://www.wto.org/english/tratop_e/dispu_e/dispu_status_e.htm)

WTO Integrated Trade Intelligence Portal: <http://i-tip.wto.org/goods/default.aspx?language=en>

Index of Economic Freedom: <http://www.heritage.org/index/>

UN Economic and Social Council (ECOSOC): [http://search.un.org/results.php?tpl=un&language=en&query=trade+barriers&cbfcFilters\\_stat=on](http://search.un.org/results.php?tpl=un&language=en&query=trade+barriers&cbfcFilters_stat=on)