The Border Labyrinth:
Information Technologies and Trade in the Presence of Multiple Agencies∗

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This version: June 2015
Preliminary

Abstract

Firms selling products abroad may have to interact with several agencies that develop multiple regulations and oversee their compliance. These regulations establish the procedures that these firms have to follow and the documents that they have to obtain, fill, and submit for their exports to be authorized. In this paper, we estimate the effects of the introduction of information technologies as a new means to complete such trade-related procedures and the associated paperwork. In so doing, we use highly disaggregated firm-level export data from Costa Rica over the period 2007-2013 and exploit the gradual phase-in of an electronic trade single window scheme across groups of products and ports. Results suggest that this new system has been associated with both an expansion in the number of exporting firms and increased firms’ exports along the shipment extensive margin and buyer extensive and intensive margins.

Keyword: Border Agencies, Information Technologies, Exports, Costa Rica
JEL-Code: F10, F13, F14

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