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I'm doing research on the relationship between US tariff and consumer prices of goods across multiple categories and shipment of origin. I'm interested in finding out what factors could drive up the tariff of import goods entering the united states, and how could that affect the prices and consumption of those goods. In this era, international trade expands as a result of technological improvement and production and transportation cost becoming less and less. As opposed to a free market proposed by Adam Smith, the governments across the world had to intervene by imposing tariffs on goods coming into their country. I've always wondered why are they still doing it as tariff would create inefficiency for the free market and drive up the prices so this burden would eventually land on consumers. So are there political incentives behind all these tariffs? And why are tariffs different across categories of goods? Is the government (the US) pushing the international trade toward equilibrium? If so, what are the defining characteristics of a tariff that would push the market toward equilibrium? With these questions being posed, my goal is to determine the motive behind those tariffs and the standard for setting those tariffs.

I'll be looking at factors such as the type of the imported good, place where it came from, its quantity consumed in the past year, domestic selling price, etc. My hypothesis would be that the amount of tariff on a particular good behaves according a function based the above-mentioned factors (including but not limited to). I'll look at data from Nber on the US tariff system and summary on imported goods. Using methods such as semi-/nonparametric estimation, hopefully I'll obtain a rough sketch of the relationship. Once I obtained the result, there will be hypothesis tests to examine how well my result fits the data. This is more of an applied research using raw data from the market, and from this I'll try to come up with a formula and test it on time periods that are different from where I obtained my data.

Some expected results could be that say if the imported quantity of a certain good goes above a limit, the government might want to increase the tariff either to curb the amount imported or to profit from the large demand.