

A photograph of four people in a panel discussion. From left to right: a woman in a grey blazer, a man in a dark suit and blue tie, a man in a dark suit and pink tie speaking, and a woman in a black blazer. They are seated in front of a blue background with large white letters 'E' and 'R' and the word 'Economics.'

Ralph Ossa

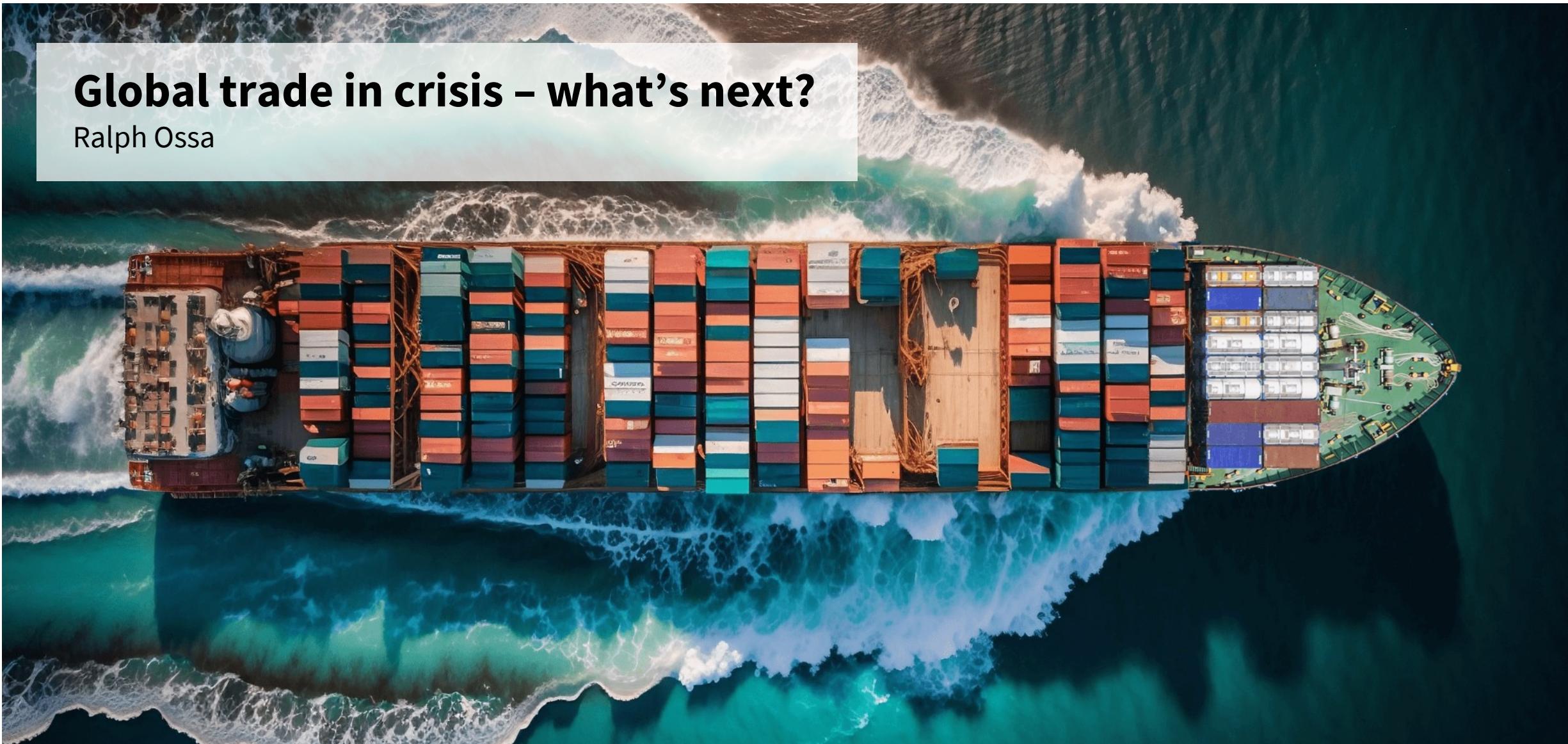
Universität Zürich

10 November 2025
Kongresshaus Zürich



Global trade in crisis – what's next?

Ralph Ossa



Overview

- Situation
- Implication
- Response

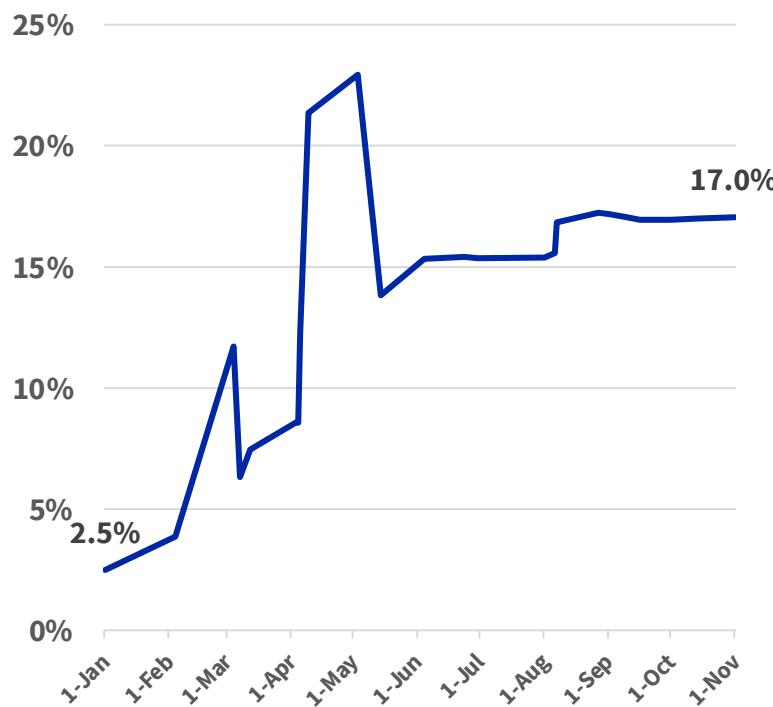
US tariffs rise sharply – a major problem with limited reach

The average US tariff rate has risen sharply since the beginning of 2025.

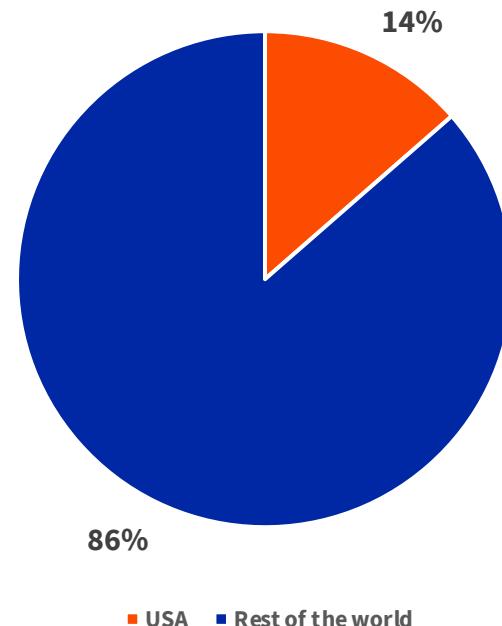
However, the importance of the US for world trade is often overestimated.

Most of global trade is still rules-based and not power-based.

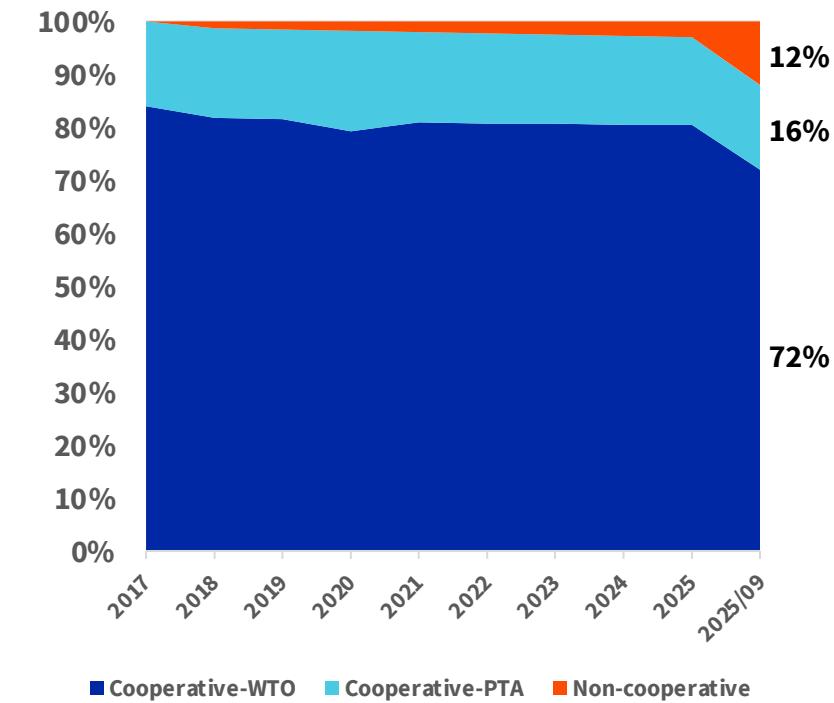
US tariffs in 2025 (trade-weighted average)



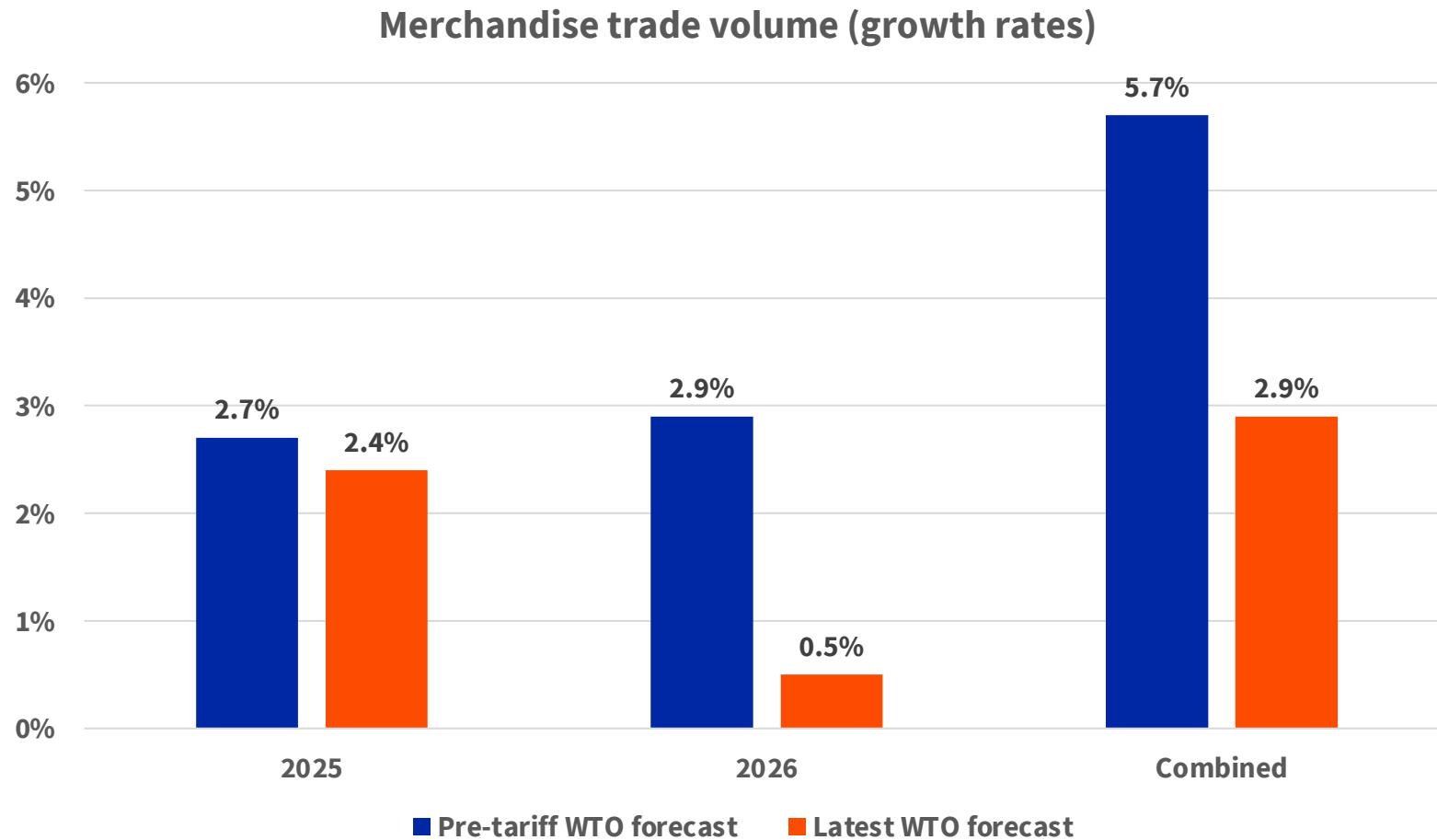
Shares in global merchandise imports in 2024



Tariff regimes (% of world merchandise trade)



Trade outlook deteriorates – tariffs cut global growth by half



The main risk is proliferation – cooperation with other partners is key

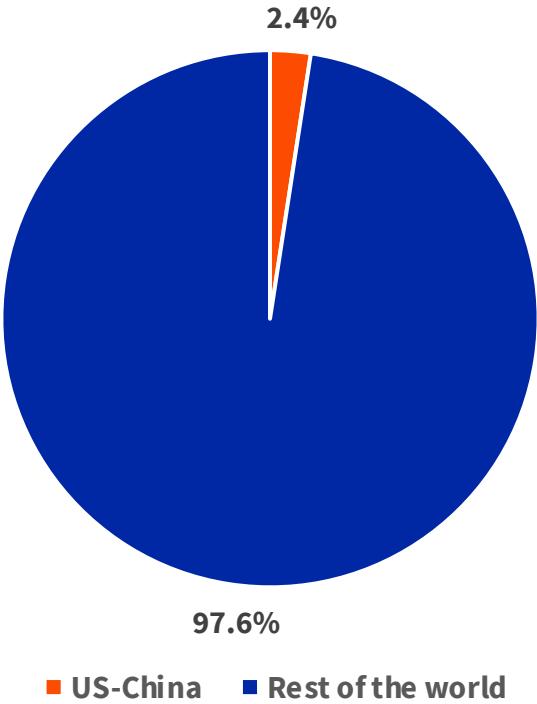
Recent deals feature discriminatory concessions that risk undermining multilateral trade rules.

Trade diversion effects are limited, bidirectional, and best managed through cooperation.

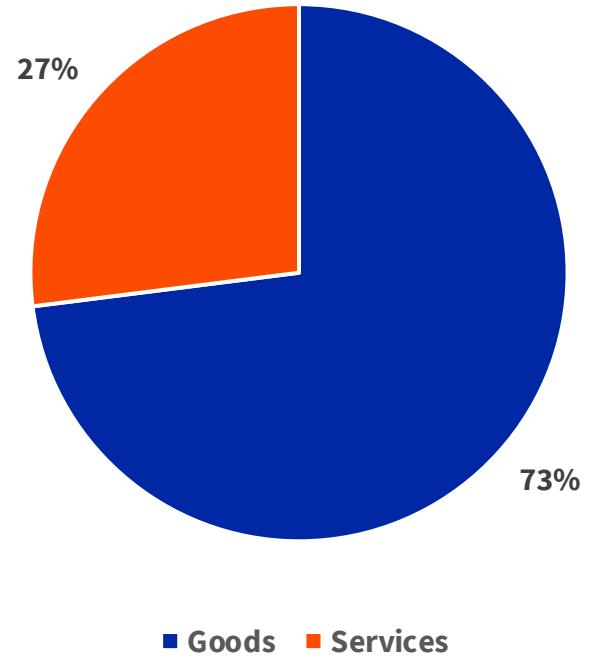
Services trade has so far been spared, offering partners leverage but carrying high escalation risks.



Share in world merchandise trade

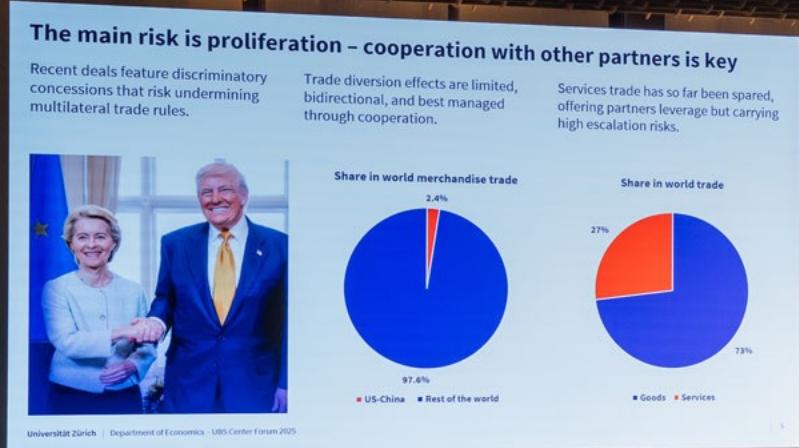


Share in world trade



Key takeaways

- **Situation:** US tariffs rise sharply – a major problem with limited reach.
- **Implication:** Trade outlook deteriorates – tariffs cut global growth by half.
- **Response:** The main risk is proliferation – cooperation with other partners is key.



Watch **replay** on  YouTube