

## **Disclosure Trade Barriers and Legal Opacity: "3T" Mineral Exports in Africa's Great Lake Region**

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### *Abstract:*

This paper studies how aggregate « conflict mineral » trade flows react disclosure of information and legal opacity. Legal opacity is a set of legal loopholes enabling morally reprehensible products to reach global markets. It is supplied by legal havens, jurisdictions endowed with a legal technology that ensures anonymity and loss of information on economic transactions. I explore this mechanism in the case of conflict mineral trade. I investigate the effect of U.S. Dodd-Frank Act Conflict Mineral Rule disclosure policy, a first of its kind name and shame mechanism. It targets specific "3T" minerals in D.R.C. and adjoining countries. Comparing targeted bilateral trade flows to non-targeted mineral products and exporters within the structural gravity framework, I find that this policy decreased Great Lake Region countries exports value of "3T" minerals by 60-73%. However, disclosure is evaded through legal opacity: targeted countries export share of 3T to legal havens increases by 8.6 percentage points on average following the Dodd-Frank Act.