

International Trade, FDPE, Spring 2010

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Readings

The main text:

Feenstra R.: *Advanced International Trade: Theory and Evidence*.

Other:

Dixit A. and V. Norman: *Theory of International Trade*.

Helpman E. and P. Krugman

Wong K.: *International Trade in Goods and Factor Mobility*.

GAINS FROM TRADE, TRADE PATTERNS

Feenstra, pp. 56-60, 179-208.

Wong, ch. 8.

Bernhofen, D.M. and J.C. Brown, "An Empirical Assessment of the Comparative Advantage Gains from Trade: Evidence from Japan," *American Economic Review* 95(1), 2005, 208-225.

Choi, Y-S. and P. Krishna, "The Factor Content of Bilateral Trade: An Empirical Test," *Journal of Political Economy* 112(4), 2004, 887-914.

SPECIFIC TRADE THEORIES

Ricardian

Feenstra, pp. 1-4.

Dornbusch, R., S. Fischer and P.A. Samuelson, "Comparative Advantage, Trade and Payments in a Ricardian Model with a Continuum of Goods," *American Economic Review*, 1977, 823-39.

Matsuyama, Kiminori (2000) "A Ricardian Model with a Continuum of Goods under Non-homothetic Preferences: Demand Complementarities, Income Distribution, and North-South Trade", *Journal of Political Economy* 108:6, 1093-1120.

Jones, R.W., "Comparative Advantage and the Theory of Tariffs: A Multicountry Multi-commodity Model", *Review of Economic Studies*, 1961.

Costinot, A., "An Elementary Theory of Comparative Advantage," *Econometrica*, 77, 2009, 1165-1192.

Heckscher-Ohlin

Feenstra, pp.4-56.

Baldwin R. and F. Robert-Nicoud (2007) "Offshoring: General Equilibrium Effects on Wages, Production and Trade", NBER WP 12991.

Extensions

Feenstra, pp. 65-75.

External increasing returns to scale and trade

Ethier, W.J., "Decreasing Costs in International Trade and Frank Graham's

Argument for Protection", *Econometrica*, 1982.

TRADE AND IMPERFECT COMPETITION

Monopolistic competition

Feenstra, 137-141.

Dixit and Norman, ch. 9.

Krugman P. "Intraindustry Specialization and the Gains from Trade," *Journal of Political Economy* 91, 1981.

Ethier, W.J., "National and International Returns to Scale in the Modern Theory of International Trade", *American Economic Review*, 1982.

Anderson J.E. and Eric van Wincoop "Trade Costs", *Journal of Economic Literature*, vol. 42(3), pages 691-751, September.

Anderson J.E. "Gravity, Productivity and the Pattern of Production and Trade", 2009, <http://fmwww.bc.edu/EC-P/WP700.pdf>.

Oligopoly

Brander, J.A., and Krugman, P.R., "A Reciprocal Dumping Model of International Trade," *Journal of International Economics*, November 1983, 15(3/4), 313-21.

Neary, J. P., "International Trade in General Oligopolistic Equilibrium," <http://www.economics.ox.ac.uk/members/peter.neary/papers/pdf/gole.pdf>.

MULTINATIONAL CORPORATIONS

Feenstra, ch. 11.

E.Helpman, M.J.Melitz, S.R.Yeaple, Export versus FDI with heterogeneous firms, *American Economic Review* 94: 300-316, 2004.

TRADE POLICY

Feenstra, ch's 10, 11.

Anderson J.E. and J.P. Neary (2005) *Measuring the Restrictiveness of International Trade Policy*, MIT Press, ch's 1-3.