ECO 7705: International Trade Theory

Florida International University

Spring Semester 2025

Instructor: Kaz Miyagiwa

Office: DM 319A

Office Hours: M: 2:30 – 3:25 MW

Email: [kmiyagiw@fiu.edu](mailto:kmiyagiw@fiu.edu)

***Course objectives***

In this course we study all the major developments in international trade theory and trade policy over the course of the last two centuries. (yes, we are ambitious!).

***Course Requirements***

Mid-term exam (40%), Final Exam (40%), Classroom presentations of assigned papers (20%).

***Books***

Lecture notes will be provided. There are no required textbooks. The following books are recommended.

1. Feenstra, *Advanced international trade: theory and evidence* (Princeton University Press).

2. Dixit and Norman, 1980, *Theory of International Trade* (Cambridge University Press)

This is a great book. A very thorough treatment of general equilibrium models using duality.

3. Markusen et al., 1996, *International Trade* (McGraw-Hill)

This is a master’s level textbook and good to learn the nitty-gritty of general equilibrium modeling. Free at <http://spot.colorado.edu/~markusen/textbook.html>)

4. Helpman, 2011, *Understanding global trade* (MIT Press)

A good review of the literature.

5. Helpman and Krugman, 1985, *Market structure and foreign trade* (MIT)

6. Helpman and Krugman, 1987, *Trade policy and market structure* (MIT)

Excellent treatments of monopolistic competition (especially #5).

7. Combes, Mayer and Thisse, 2008, *Economic geography* (Princeton)

A thorough treatment of new economic geography and trade.

8. Markusen, J. M. 2002, *Multinational firms and the theory of international trade* (MT Press).

An exploration into this important subject using oligopoly models. There is a downloadable file of this book.

9. Grossman and Helpman, 1991, *Innovation and growth in the global economy* (MIT)

A thorough treatment of endogenous growth in international trade contexts.

10. Bagwell and Staiger, 2002, *The economics of the world trading system* (MIT Press)

The standard and influential book on the world trading system and WTO rules.

*Surveys*:

*Handbook of international economics*; volume 1 (1988), volume 3 (1997) and volume 4 (2012) (North-Holland) contain useful surveys on various topics. The classic surveys include:

Chipman, 1965, A survey of international trade: part 1, The classical theory, ECM

Chipman, 1965, A survey of international trade: part 2, The neo-classical theory, ECM

Chipman, 1966, A survey of international trade: part 3, The modern theory, ECM

*General books on writing and doing research:*

Williams, Joseph, 1990, *Style: towards clarity and grace* (Chicago)

Wayne Booth, G. G. Colomb and J. M. Williams, 1995, *The craft of research* (Chicago)

Helpful hints in writing dissertations.

*Finally, fun readings to broaden your intellectual horizons:*

Irwin, D., 1992, *Against the tide: an intellectual history of free trade* (MIT)

Irwin, D., 2015, *Free trade under fire* (Princeton), 4th ed.

Bernstein, 2008, *A splendid exchange: how trade shaped the worl*d (Atlantic Monthly)

***Course outline and readings***

*Journal names and abbreviations*

AEJ: American Economic Journal:

AER: American Economic Review

CJE: Canadian Journal of Economics

ECM Econometrica

EL: Economics Letters

EJ: Economic Journal

IER: International Economic Review

JDE: Journal of Development Economics

JEP: Journal of Economic Perspectives

JIE: Journal of International Economics

JPE: Journal of Political Economy

JRS: Journal of Regional Science

QJE: Quarterly Journal of Economics

RES: Review of Economic Studies

SJE: Scandinavian Journal of Economics

TWE: The World Economy

***Part I: Classical and “modern” theories of trade***

***1. The Ricardian model***

Theory

Bougheas et al., 1999, Infrastructure, transport costs and trade, JIE (this has empirical work)

Brezis, Krugman, and Tsiddon., 1993, Leapfrogging in international competition: a theory of cycles in national technological leadership, AER

Deardorff, 2007, The Ricardian model

<https://fordschool.umich.edu/rsie/workingpapers/Papers551-575/r564.pdf>, or

<http://www-personal.umich.edu/~alandear/courses/441/handouts/Deardorff-RicardianModel.pdf>

Dornbusch, Fischer, and Samuelson, 1977. Comparative advantage, trade, and payments in a Ricardian model with a continuum of goods, AER; sections 1 – 3.

Eaton and Kortum, 2012, Putting Ricardo to work, JEP.

Flam and Helpman, 1987, North-South trade, AER

Krugman, 1987, The narrow moving band, the Dutch disease, and the competitive consequences of Mrs. Thatcher, JDE

Krugman, 1979, A model of innovation, technology transfer, and the world distribution of income, JPE

Matsuyama, 2000, A Ricardian model with a continuum of goods under nonhomothetic preferences: demand complementarities, income distribution, and North-South trade, JPE.

Matsuyama, 2008, Ricardian trade theory, in Blume and Durlauf, eds., *The New Palgrave Dictionary of Economics*, 2d ed., (Palgrave Macmillan).

https://faculty.wcas.northwestern.edu/kmatsu/Ricardian%20Trade%20Theory.pdf

Wilson, 1980, On the general structure of Ricardian models with a continuum of goods: applications to growth, tariff theory, and technical change, ECM

Empirical.

Eaton and Kortum, 2002, Technology, geography and trade, *EMC*

Fieler, 2011, Nonhomotheticity and bilateral trade: evidence and a quantitative explanation, *EMC*

***2. Pure exchange model of trade***

Review the chapters in any graduate micro textbook (e.g., Mas-Colell et al., Varian) on demand theory, expenditure functions and welfare economics. Alternatively see

Dixit and Norman, 1980, *Theory of international trade,* chapter 2 and the appendix.

***3. Factor-proportions model (Heckscher-Ohlin-Samuelson model)***

Theory

Bougheas and Riezman, 2007, Trade and the distribution of human capital,JIE.

Dixit, Grossman, 1982, Trade and protection with multistage production, RES

Dornbusch. Fischer, and Samuelson, 1980, Heckscher-Ohlin trade theory with a continuum of goods, QJE.

Jones, 1965, The structure of simple general equilibrium models, JPE

Krugman, 2000, Trade, technology and factor prices, *JIE*

Woodland, 1977, A dual approach to equilibrium in the production sector in international trade theory, CJE.

Xu, 1993, A general model of comparative advantage with two factors and a continuum of goods, IER.

Empirical:

Bernhofen and Brown, 2016, Testing the general validity of the Heckscher-Ohlin Theorem, *AEJ: Micro.*

Morrow, 2010, Ricardian-Heckscher-Ohlin comparative advantage: theory and evidence, JIE

***4. Multi-sector, multi-factor trade models***

Theory

Costinot, 2009, An elementary theory of comparative advantage, *EMC*

Deardorff, 1980, The general validity of the law of comparative advantage, JPE

Empirical

Bernhofen and Brown, 2004, A direct test of the theory of comparative advantage: the case of Japan, JPE

Bernhofen and Brown, 2005, An empirical assessment of the comparative advantage gains from trade: evidence from Japan, AER

Bernstein and Weinstein, 2002, Do endowments predict the location of production? JIE

Weder, 2003, Comparative home-market advantage: an empirical analysis of British and American exports. *Review of World Economics*

***5. Trade policy under perfect competition***

Theory

Bond, 1990, The optimal tariff structure in higher dimensions, IER

Copeland and Taylor, 1994, North-South trade and the environment, AER

Copeland and Taylor, 1999, Trade, spatial separation, and the environment, JIE

Copeland and Taylor, 2004, Trade, growth, and the environment, JEL

Feenstra, 1986, Trade policy with several goods and market linkages, JIE

Gorman, 1958, Tariffs, retaliation, and the elasticity of demand for imports, RES.

Humphrey, 1987, Classical and neoclassical roots of the theory of optimal tariffs, *Economic Review*, (Federal Reserve Bank of Richmond).

Johnson, 1954, Optimum tariffs and retaliation, RES

Kaldor, 1940, A note on tariffs and the terms of trade, Economica

Kennan and Riezman, 1988, Do big countries win trade wars? IER

Miyagiwa, 1986, A reconsideration of the economics of a free-trade zone, JIE

Miyagiwa, 1993, The locational choice for free trade zones, JDE

Miyagiwa and Young, 1986, International capital mobility and commercial policy in an economic region, JIE

Miyagiwa and Young, 1987, Unemployment and formation of duty-free ones, JDE

Syropoulos, 2002, Optimum tariffs and retaliation revisited: how country size matters, RES

Empirical

Amitl and Konings, 2007, Trade liberalization, intermediate inputs, and productivity, evidence from Indonesia, AER

Antweiler, Copeland and Taylor, 2001, Is free trade good for the environment? AER

Broda, Liamo, Weinstein, 2008, The optimal tariffs and market power: the evidence, AER

Markusen and Wigle, 1989, Nash equilibrium tariffs for the United States and Canada: The role of country size, scale economies, and capital mobility, JPE

**Part II: Trade under imperfect competition**

***6. Trade under international oligopoly***

Theory

Brander and Krugman, 1983, A ‘reciprocal’ dumping model of international trade, JIE

Miyagiwa and Sato, 2014, Free entry and regulatory competition in a global economy, *Journal of Public Economics*

### Neary, 2010, Two and half theories of trade, *The World Economy*

Neary, 2016, International trade in general oligopolistic equilibrium, *Review of International Economics*

### Venables, 1985, Trade and trade policy with imperfect competition: the case of identical products and free entry, JIE

Empirical

Bernhofen, 1999, Intra-industry trade and strategic interaction: theory and evidence, JIE

Etro, 2015, Endogenous market structures and international trade: theory and evidence, *Scandinavian Journal of Economics*

**7*. Trade under monopolistic competition***

### Theory

Behrens, Murata, 2007, General equilibrium models of monopolistic competition: a new approach, JET

di Comite, Thisse, Vandenbuscche, 2014, Verti-zontal differentiation in export markets, JIE

Feenstra, 2003, A homothetic utility function for monopolistic competition models without constant price elasticity, EL

Helpman, 1981, International trade in the presence of product differentiation, economies of scale and monopolistic competition: a Chamberlin-Heckscher-Ohlin approach, JIE

Krugman, 1979, Increasing returns, monopolistic competition, and international trade, JIE

Krugman, 1980, Scale economies, product differentiation, and the pattern of trade, AER

Krugman, 1981, Intraindustry specialization and the gains from trade, JPE

Markusen, 1989, Trade in producer services and in other specialized intermediate inputs, AER

Matsuyama, 1995, Complementarities and cumulative processes in models of monopolistic competition, JEL

Mrazova and Neary, 2014, Together at last: trade costs, demand structure, and welfare, AER

Neary, 2009, Putting the ‘new’ into new trade theory: Paul Krugman’s Nobel Memorial Prize in economics, *SJE*

Romalis, 2004, Proportions and the structure of commodity trade, AER

Zhelobodka, Kokovin, Parenti, and Thisse, 2012, Monopolistic competition: beyond constant elasticity of substitution, ECM

### Empirical

di Comite, Thisse, Vandenbuscche, 2014, Verti-zontal differentiation in export markets, JIE

### Helpman, 1987, Imperfect competition and international trade: evidence from fourteen industrial countries, *Journal of the Japanese and International Economics*

Hummel, Levinsohn, 1995, Monopolistic competition and international trade: reconsidering the evidence, QJE

Feenstra, Markusen, 2001, Using the gravity equation to differentiate among alternative theories of trad, CJE

Debaere, 2005, Monopolistic competition and trade, revisited: testing the model without testing for gravity, JIE

Feenstra, Kee, 2008, Export variety and country productivity: estimating the monopolistic competition model with endogenous productivity, JIE

Feenstra, 2010, Measuring the gains from trade under monopolistic competition, CJE

Arkolakis, et al., 2012, New trade models, same old gains, AER

***8. Trade policy under monopolistic competition***

Theory

Gros, D., 1987, Protectionism in a framework with intra-industry trade: tariffs, quotas, retaliation, and welfare losses, IMF Staff Papers

Gros, 1987, A note on the optimal tariff, retaliation, and the welfare loss from tariff wars in a framework with intra-industry trade, JIE

Feenstra, Judd, 1982, Tariffs, technology transfer, and welfare, JPE

Flam and Helpman, 1987, Industrial policy under monopolistic competition JIE

Empirical

Hummel, Levinsohn, 1995, Monopolistic competition and international trade: reconsidering the evidence, QJE

***9. Heterogeneous firms***

Required:

Theory

Demidova and Rodriguez-Claire, 2013, The simple analytics of the Melitz model in a small economy, JIE

Helpman, Itskhoki, and Redding, 2010, Inequality and unemployment in a global economy, *ECM*

Helpman, 2010, Labor market frictions as a source of comparative advantage, with implications for unemployment and inequality, NBER Working Papers 15764

Mayer, Melitz, and Ottaviano, 2014, Market size, competition, and the product mix of exporters, AER

Melitz, 2003, The impact of trade on intra-industry reallocations and aggregate industry productivity, *ECM*

Melitz and Readding, 2014, Heterogeneous firms and trade, in *Handbook of international economics* (Elsevier).

Meltiz and Trefler, 2012, Gains from trade when firms matter, JEP

Qiu and Yu, 2007, International outsourcing and imperfect contract enforcement, *Asia-Pacific Journal of Accounting and Economics*.

Redding, 2010, Theory of heterogeneous firms and trade, AER

Empirical

Baldwin, and Harrigan, 2011, Zeros, quality, and space: trade theory and trade evidence, AEJ: Micro.

Balistreri et al., 2011, Structural estimation and solution of international trade models with heterogeneous firms, JIE

Bernard, Eaton, Jensen, and Kortum, 2003, Plants and productivity in international trade AER

Bernard, Jensen, and Reddding, 2007, Firms in international trade, *Journal of Economic Perspectives*

Bernard, Jensen and Schott, 2006, Trade costs, firms and productivity, *Journal of Monetary Economics,*

Eaton, Kortum and Kramarz, 2011, An anatomy of international trade: evidence from the French firms, *ECM*

***10. Trade policy with heterogeneous firms***

Theory

Demidova, 2017, Trade policies, firm heterogeneity, and variable markups, JIE

Demidova and Rodriguez-Clare, 2009, Trade policy under firm-level heterogeneity in a small economy, JIE

Felbermayr, Jung, and Larch, 2013, Optimal tariffs, retaliation, and the welfare loss from tariff wars in the Melitz model, JIE

Melitz, Ottaviano, 2008, Market size, trade, and productivity, RES

Melitz and Trefler, 2012, Gains from trade when firms matter, *JEP*

Empirical

Fernandes, 2007, Trade policy, trade volumes and plant-level productivity in Colombian manufacturing industries, JIE

Melitz, and Readding, 2015, New trade models, new welfare implications, AER

**11: Nonhomothetic preferences**

Behrens, Mion, Murata and Südekum, 2014, Trad, wages, and productivity, IER

Fieler, 2011, Nonhomotheticity and bilateral trade,: evidence and a quantitative explanation, ECM

Markusen, 2013, Putting per capital income back into trade theory, JIE

Melitz, Ottaviano, 2008, Market size, trade, and productivity, RES

Miyagiwa, et al., 2025, Foreign incomes and scope of exports, in progress

Simonovska, 2015, Income differences and prices of tradables: insights from an online retailer, RES.

**12: Multiproduct firms**

Theory:

Allanson and Montagna, 2005, Multiproduct firms and market structure: an explorative application to the product life cycle, IJIO.

Baldwin and Gu,

Baldwin and Ottaviano, 2001, Multiproduct multinationals and reciprocal dumping, JIE

Bernard and Redding, 2011, Multiproduct firms and trade liberalization, QJE.

Brander and Eaton, 1984, Product line rivalry, AER

De Loecker, 2011, Product differentiation, multiproduct firms, and estimating the impact of trade liberalization on productivity, ECM

Eckel and Neary, 2010, Multi-product firms and flexible manufacturing in the global economy, RES

Forslid and Okubo, 2023, Trade, location and multi-product firms, *Region Science and Urban Economics*

Grossmann, 2007, Firm size and diversification: multiproduct firms in asymmetric oligopoly, IJIO.

Johnson and Myatt, 2003, Multiproduct quality competition: fighting brands and product line pruning, AER

Ju, 2003, Oligopolistic competition, technology innovation, and multiproduct firms, RIE

Klemperer, 1992, Equilibrium product lines: head-to-head may be less competitive, AER

Lopresti, 2016, Multiproduct firm and product scope adjustment in trade, JIE

Ottativiano and Thisse, 2011, Monopolistic competition, multiproduct firms and product diversity, *The Manchester School*.

Montinari and Riccaboni, 2012, Innovation, trade and multi-product firms, CJE

Nocke and Yeaple, 2014, Globalization and multiproduct firms, IER

Qiu ad Zhou, 2013, Multiproduct firms and scope adjustment in globalization, JIE

Yin et al., 2022, Multi-product firms, product quality heterogeneity and trade liberalization, *The World Economy*

Empirical:

Bernard, Redding and Schott, 2026, Multi-roduct firms and product switching, AER

De Loecker, 2011, Product differentiation, multiproduct firms, and estimating the impact of trade liberalization on productivity, ECM

Goldberg at al., 2010, Multiproduct firms and product turnover in the developing world: evidence from India, REStat.

Hur and Yoon, 2018, Product dynamics and trade liberalization, : evidence, Economic Theory

Manova and Yu, 2017, Multi-product firm and product quality, JIE

Smeets and Warzynski, 2013, Estimating productivity with multi-product firms, pricing heterogeneity and the role of international trade, JIE

Theory: IO

Alvarez and Lippi, 2014, Price setting with menu cost for multiproduct firms, ECM

Anderson and De Palma, 2006, Market performance with multiproduct firms, JIndE

Anderson and De Palma, 1992, Multiproduct firms: a nested logit approach, JIndE

Bailey and Friendlaender, 1982, Market structure and multiproduct industries, JEL

Champsaur and Rochet, 1989, Multiproduct duopolists, ECM

Feenstra and Ma, 2007, Optimal choice of product scope for multiproduct firms under monopolistic competition, NBER

Flach and Irlacher, 2018, Product versus process: innovation strategies of multiproduct firms, AEJ: micro.

Giraud-Heraud and Hammoudi, 2003, Multiproduct firm behavior in a differentiated market, CJE

Jaef, Entry and exit, multiproduct firms, and allocative distortions, AEJ: Macro.

Katz, 1984, Firm-specific differentiation and competition among multiproduct firms, JBus

Laffont and Tirole, 1990, The regulation of multiproduct firms: Part I, theory, JPubE

Lugo and Marshall, 2020, The competitive impact of vertical integration by multiproduct firms, AER

Nocke and Schulz, 2018, Multiproduct-firm oligopoly: an aggregative games approach, ECM

Shaked and Sutton, 1990, Multiproduct firms and market structure, RAND

Teece, 1982 Towards an economic theory of the multiproduct firm, JEBO

Willig, 1979, Multiproduct technology and market structure, AER

***Part III: Trade policy under oligopoly***

***13. Tariffs and quotas***

Theory

Brander, 1995, Strategic trade policy, chapter 27 in *Handbook of International Economics* III (North-Holland). This reviews early literature on strategic tade policy literature. skim over: <http://strategy.sauder.ubc.ca/brander/papers/Strategic%20Trade%20Policy.pdf>

Brander and Spencer, 1985, Export subsidies and international market share rivalry, JIE

Creane and Miyagiwa, 2008, Information and disclosure in strategic trade policy, JIE

Etro, 2011, Endogenous market structure and strategic trade policy, IER.

Krishna, 1989, Trade policy as facilitating practices, JIE

Miyagiwa, 1991, Oligopoly and discriminatory government procurement policy, AER

Miyagiwa and Ohno, 1995, Closing the technology gap under protection, AER

Miyagiwa and Ohno, 1997, Strategic R&D policy and appropriability, JIE

Miyagiwa and Ohno, 1998, Planting disinformation thorough voluntary export restraints, *International Economic Journal* 3.

Miyagiwa and Ohno, 1999, Credibility of protection and incentives to innovate, IER

Miyagiwa and Ohno, 2001, Quota-induced cycles, 2001, *IER*

Empirical

Bernhofen, 1999, Intra-industry trade and strategic interaction: theory and evidence, JIE

Friberg and Ganslandt, 2006, An empirical assessment of the welfare effects of reciprocal dumping, JIE

***14: Dumping and antidumping policy***

Theory

Anderson, 1992, Domino-dumping I: competitive exporters, AER

Anderson, 1993, Domino-dumping II: anti-dumping, JIE

Baldwin and Ottaviano, 2001, Multiproduct multinationals and reciprocal FDI dumping, JIE

Davies and McGuinness, 1982, Dumping at less than marginal cost, JIE

Dixit, 1988, Anti-dumping and countervailing duties under oligopoly, EER

Ethier, 1982, Dumping, JPE

Gao and Miyagiwa, 2005, Antidumping protection and R&D competition, CJE.

Miyagiwa, Ohno, 2007, Dumping as a signal of innovation, JIE

Miyagiwa, Song, Vandenbussche, 2016, Accounting for stylized facts about recent antidumping: retaliation and innovation, *TWE*

Staiger and Wolak, 1992, Strategic use of antidumping law to enforce tacit international collusion, JIE

Weinstein, 1992, Competition and unilateral dumping, JIE

Empirical:

Dick, 1991, Learning by doing and dumping in the semiconductor industry, *Journal of Law and Economics*

Irwin, 2005, The rise of US anti-dumping activity in historic perspective, TWE

Friberg and Ganslandt, 2006, An empirical assessment of the welfare effects of reciprocal dumping, JIE

Miyagiwa, Song, Vandenbussche, 2016, Size matters! Who is bashing whom in trade wars?, *International Review of Economics and Finance.*

Miyagiwa, Song, Vandenbussche, 2016, Accounting for stylized facts about recent antidumping: retaliation and innovation, *The World Economy.*

***15. International R&D competition***

Theory

Atkeson and Burnstein, 2010, Innovation, firm dynamics, and international trade, JP

Miyagiwa and Ohno, 1995, Closing the technology gap under protection, AER

Miyagiwa and Ohno, 1997, Strategic R&D and appropriability, JIE

Miyagiwa and Ohno, 1999, Credibility of protection and incentives to innovate, IER

Miyagiwa and Ohno, 2015, International harmonization of the patent-issuing rules, 2015, *International Journal of Industrial Organization*

Empirical

Aw, Roberts, and Xu, 2011, D&D investment, exporting, and productivity dynamics, AER

Bustons, 2011, Trade liberalization, exports and technology upgrading” evidence on the impact of MERCOSUR on Argentinian firms, AER

Lileeva, 2008, Trade evidence and productivity dynamics: evidence from Canada, CJE

Lileeva and Trefler, 2010, Improved access to foreign market raises plant-level productivity…for some plants, QJE

Verhoogen, 2008, Trade, quality upgrading and wage inequality in the Mexican manufacturing sector, QJE

***Part IV. International factor movements***

**16. FDI and multinationals**

Theory

Baldwin and Ottaviano, 2001, Multiproduct multinationals and reciprocal FDI dumping, JIE

Bergstrand, and Egger, 2007, A knowledge-and-physical-capital model of international trade flows, foreign direct investment, and multinational enterprises, JIE

Cleane and Miyagiwa, 2018, Export versus FDI: Learning from propinquity, *International Journal of Economic Theory*.

Chor, 2009, Subsidies for FDI: implications from a model with heterogeneous firms, JIE

Ethier, 1986, The multinational firm, QJE

Ethier, Markusen, 1996, Multinational firms, technology diffusion and trade, JIE

Grossman, Helpman and Szeidle, 2006, Optimal integration strategies for the multinational firm, JIE.

Helpman, 1983, A simple theory of international trade with multinational corporations, JIE

Helpman, Melitz, and Yeaple, 2004, Export versus FDI with heterogeneous firms, AER

Ishikawa and Miyagiwa, 2008, Price undertakings, VERs, and foreign direct investment, CJE

Markusen, 1984, Multinationals, multi-plant economies, and the gains from trade, JIE

Markusen, 1998, Multinational firms, location and trade, World Economy

Markusen, 1995, The boundaries of multinational enterprises and the theory of international trade, JPE

Markusen, 2001, Contracts, intellectual property rights, and multinational investment in developing countries, JIE

Markusen, J. M. 2002, *Multinational firms and the theory of international trade* (MIT Press)

Markusen, Tromfimenko, 2009, Teaching locals new tricks: foreign experts as a channel of knowledge transfers, JDE

Markusen and Venables, 1997, Foreign direct investment as a catalyst for industrial development, EER.

Markusen and Venables, 1998, Multinational firms and the new trade theory, JIE

Miyagiwa and Ohno, 2009, Multinationals, tax holidays, and technology transfer, J. Econ. Review

Ramondo et al., 2012, Proximity-concentration tradeoff under uncertainty, RES

Zhang, Markusen, 1999, vertical multinationals and host-country characteristics, JDE

Empirical

Morck, Yeung, 1992, Internalization: an event study test, JIE

Bernard, 1997, An empirical assessment of the proximity-concentration trade-off between multinational sales and trade, AER

Branstetter, 2006, Is foreign direct investment a channel of knowledge spillovers? Evidence from Japan’s FDI in the United States, JIE

Greenaway and Kneller, 2007, Firm heterogeneity, exporting and foreign direct investment, EJ

Costinot, Oldenski, Rauch, 2011, Adaptation and the boundary of multinational firms, REStat

**17. Immigration**

Theory

Battisti, Felbermayr, Poutvaara, 2018, Immigration, search, and redistribution: a quantitative assessment of native welfare, *Journal of the European Economic Association*.

Bond, and Chen, 1987, The welfare effects of illegal immigration, *JIE*

Chassamboulli, Palivos, 2014, A search-equilibrium approach to the effects of immigration on labor market outcomes, *IER*

Ethier, 1985, International trade and labor migration, AER

Ethier, 1986, Illegal immigration: the host country problem, AER

Giordani, Ruta, 2013, Coordination failures in immigration policy, *JIE*

Liu, X., 2010, On the macroeconomic and welfare effects of illegal immigration, *Journal of Economic Dynamics and Control*

Markusen, 1988, Production, trade, and migration with differentiated, skilled workers, CJE

Miyagiwa, 1991, Scale economies in education and the brain drain problem, IER

Miyagiwa and Sato, 2019, Illegal immigration and multiple destinations, *Journal of Regional Science*.

Miyagiwa and Wan, 2022, Illegal immigration, sanctuary cities, crime and unemployment, WP

Miyagiwa and Ono, 2021, Immigration and secular stagnation, WP

Woodland, Yoshida, 2006, Risk preference, illegal immigration and immigration policy, JDE

Yoshida and Woodland, 2005, *The economics of illegal immigration* (Palgrave MacMillan)

Empirical

Hanson, Spilimbergo, 1999, Illegal immigration, border enforcement, and relative wages: evidence from apprehensions at the U.S.-Mexico Border, *AER*

Robertson, 2000, Wage shocks and North American labor-market integration, AER

Hanson, Robertson, Spilimbergo, 2002, Does border enforcement protect U.S. workers from illegal immigration? *REStat*

Hanson, Splimbergo, 2003, Political economy, sectoral shocks, and border enforcement, CJE

Robertson, 2005, Has NAFTA increased labor market integration between the United States and Mexico? World Bank Economic Review

Hanson, 2006, Illegal migration from Mexico to the United States, JEL

Hanson, 2010, International migration and the developing world, *Handbook of development economics* (Elsevier)

**Part V. Additional topics**

***18. Endogenous trade policy***

Theory

Chang, 2004, Protection for sale under monopolistic competition, JIE

Dixit, Grossman and Helpman, 1997, Common agency and coordination: general theory and application to government policymaking, JPE

Grossman and Helpman, 1995, The politics of free-trade agreement, AER

Grossman and Helpman, 1994, Protection for sale, AER

Helpman, 1997, Politics and trade policy, in Kreps and Wallis, eds, *Advances in economics and econometrics: theory and applications*: Seventh World Congress (Econometric Society Monograms) vol. 1 (Cambridge)

Mayer, 1984, Endogenous tariff formation, AER

Empirical

Evans, Sherlund, 2011, Are antidumping duties for sale? Case-level evidence on the Grossman-Helpman protection for sale model, SEJ

Dutt, Mitra, 2002, Endogenous trade policy through majority voting: an empirical investigation, JIE

Gawande, 1998, Comparing endogenous theories of protection: model comparisons using Gibbs sampling output, RESat

Gawande and Bandyopadhyay, 2000, Is protection for sale? evidence on the Grossman-Helpman theory of endogenous protection, *REStat*

Goldberg and Maggi, 1999, Protection for sale: an empirical investigation, AER

Trefler, 1993, Trade liberalization and the theory of endogenous protection: an econometric study of U.S. import policy, JPE

**19. Economic geography**

Theory

Behrens, Gaigne, Ottaviano and Thisse, 2007, Countries, regions and trade: on the welfare impacts of economic integration, EER

Fujita and Thisse, 2006, Globalization and the evolution of the supply chain: who gains and who loses, IER

Okubo, Picard and Thisse, 2010, The spatial selection of heterogeneous firms, JIE

Ottaviano, 2011, “New” new economic geography: firm heterogeneity and agglomeration, Journal of Economic Geography

Ottaviano, Tabuchi and Thisse, 2002, Agglomeration and trade revisited, IER

Tabuchi and Thisse, 2002, Taste heterogeneity, labor mobility and economic geography, JDE

Tabuchi, Thisse and Zhu, 2018, Does technological progress magnify regional disparities? IER

Thisse, 2010, Towards a unified theory of economic geography and urban economics, JRS

Surveys and reviews

Krugman, 1998, What’s new about the new economic geography? Oxford Review of Economic Policy

Schmultzier, 1999, The new economic geography, *Journal of Economic Surveys*

Neary, 2001, Of hype and hyperbolas: introducing the new economic geography, JEL

Fujita, Krugman, 2005, The new economic geography: past, present and the future, *Fifty years of regional science*

Fujita, 2005, Frontiers of the New Economic Geography, *Fifty years of regional science*

Krugman, 2011, The new economic geography, now middle-aged, *Regional Studies*

Empirical

Crozet, 2005, Do migrants follow market potentials? An estimation of a new economic geography model, *Journal of Economic Geography*

Redding, 2010, The empirics of new economic geography, JRS

**20. International trade and economic growth**

Theory

Devereux and Lapham, 1994, The stability of economic integration and endogenous growth, QJE.

Dinopoulis and Unel, 2011, Quality heterogeneity and global economic growth, EER

Feenstra, 1996, Trade and uneven growth, JDE.

Grossman, Helpman, Oberfield and Sampson, 2017, Balanced growth despite Uzawa, AER

Naito, 2012, A Ricardian model of trade and growth with endogenous trade status, JIE

Naito, 2017, Growth and welfare effects of unilateral trade liberalization with heterogeneous firms and asymmetric countries, JIE

Perla, Tonetti and Waugh, 2021, Equilibrium technology diffusion, trade and growth, AER.

Ourens, 2016, Trade and growth with heterogeneous firms revisited, JIE

Sampson, 2016, Dynamic selection: an idea flows theory of entry, trade, and growth, QJE.

Wacziarg and Welch, 2008, Trade liberalization and growth: new evidence, *World Bank Economic Review*

**21: WTO and International trade order**

Amador and Bagwell, 2012, Tariff revenue and tariff caps, AER-PP

Amador and Bagwell, 2013, The theory of optimal delegation with an application to tariff caps, ECM

Bagwell, 2009, Self-enforcing trade agreements and private information NBER

Bagwell and Staiger, 1999, An economic theory of GATT, AER

Bagwell and Staiger, 2005, Enforcement, private political pressure, and the General Agreement on Tariffs and Trade/World Trade Organization Escape Clause, *J of Legal Studies*

Bagwell and Staiger, 2012, Profit shifting and trade agreements in imperfectly competitive markets, IER

Bond and Park, 2002, gradualism in trade agreements with asymmetric countries, RES

Horn et al., 2010, Trade agreements as endogenously incomplete contracts, AER

Maggi and Rodriguez-Clare, 2007, A political-economy theory of trade agreements, AER

Ossa, 2011, A “new trade” theory of GATT/WTO, JPE.

Ossa, 2014, Trade wars and trade talks with data, AER