

LIST OF TOPICS AND READING LIST

Readings:

Copies of many of the readings are available on the course web site,

<http://www.econ.umn.edu/~tkehoe/classes/BancoDePortugalJan16.html>.

A good textbook in international trade — which will be especially useful for anyone who has not studied international trade previously — is

R. C. Feenstra, *Advanced International Trade: Theory and Evidence*. Princeton University Press, 2003.

Costas Arkolakis has an excellent set of notes, some of which follow the approach here, but go far beyond them based on his own research:

C. Arkolakis, *Notes on Graduate International Trade*. Unpublished manuscript, Yale University, 2012.

(<http://www.econ.yale.edu/~ka265/teaching/GradTrade/notes/ClassNotes.pdf>.)

1. Comparative Advantage

R. Dornbusch, S. Fischer, and P. A. Samuelson, “Comparative Advantage, Trade, and Payments in a Ricardian Model with a Continuum of Goods,” *American Economic Review*, 67 (1977), 823–839.

R. Dornbusch, S. Fischer, and P. A. Samuelson, “Heckscher-Ohlin Trade Theory with a Continuum of Goods,” *Quarterly Journal of Economics*, 95 (1980), 203–224.

J. Eaton and S. Kortum, “Technology, Geography, and Trade,” *Econometrica*, 70 (2002), 1741–1779.

Feenstra, Chapters 1–3.

2. Increasing Returns and Imperfect Competition

C. Arkolakis, “Market Access Costs and the New Consumers Margin in International Trade,” *Journal of Political Economy*, 118 (2010), 1151–1199.

A. B. Bernard, J. Eaton, J. B. Jensen, and S. Kortum, “Plants and Productivity in International Trade,” *American Economic Review*, 93 (2004), 1268–1290.

T. Chaney, “Distorted Gravity: Heterogeneous Firms, Market Structure, and the Geography of International Trade,” *American Economic Review*, 98 (2008), 1707–1721.

J. Eaton, S. Kortum, and F. Kramarz, “An Anatomy of International Trade: Evidence from French Firms,” *Econometrica*, 79 (2011), 1453–1498.

Feenstra, Chapter 5.

P. R. Krugman, "Increasing Returns, Monopolistic Competition, and International Trade," *Journal of International Economics*, 9 (1979), 469–479.

J. Markusen, "Explaining the Volume of Trade: An Eclectic Approach," *American Economic Review*, 76 (1986), 1002–1011.

M. Melitz, "The Impact of Trade on Aggregate Industry Productivity and Intra-Industry Reallocations," *Econometrica*, 71 (2003), 1695–1725.

3. Dynamic Trade

J. Asturias, S. Hur, T. J. Kehoe, and K. J. Ruhl, "The Interaction and Sequencing of Policy Reform," Federal Reserve Bank of Minneapolis Staff Report 521.

C. Bajona and T. J. Kehoe, "Demographics in Dynamic Heckscher-Ohlin Models: Overlapping Generations versus Infinitely Lived Consumers," Federal Reserve Bank of Minneapolis Staff Report 377, 2006.

C. Bajona and T. J. Kehoe, "Trade, Growth, and Convergence in a Dynamic Heckscher-Ohlin Model," *Review of Economic Dynamics*, 13 (2010), 487–513.

K. J. Ruhl, "The Elasticity Puzzle in International Economics," University of Texas at Austin, 2008.

J. Ventura, "Growth and Interdependence," *Quarterly Journal of Economics*, 112 (1997), 57–84.

A. Young, "Learning by Doing and the Dynamic Effect of International Trade," *Quarterly Journal of Economics*, 106 (1991), 369–406.

4. Empirical Evidence

D. K. Backus, P. J. Kehoe and T. J. Kehoe, "In Search of Scale Effects in Trade and Growth," *Journal of Economic Theory*, 58 (1992), 377–409.

S. L. Baier and J. H. Bergstrand, "The Growth of World Trade: Tariffs, Transport Costs, and Income Similarity," *Journal of International Economics*, 53 (2001), 1–27.

R. Bergoeing and T. J. Kehoe, "Trade Theory and Trade Facts," Federal Reserve Bank of Minneapolis, Staff Report 284, 2003.

A. V. Deardorff, "Testing Trade Theories and Predicting Trade Flows," in R. W. Jones and P. B. Kenen, editors, *Handbook of International Economics*, vol. 1, North-Holland, 1984, 467–517.

D. Hummels and P. J. Klenow, "The Variety and Quality of a Nation's Exports," *American Economic Review* 95 (2005), 704–723

T. J. Kehoe, J. M. Rossbach, and K. J. Ruhl, "Using the New Products Margin to Predict the Industry-Level Impact of Trade Reform," *Journal of International Economics*, 96 (2015), 289–297.

T. J. Kehoe and K. J. Ruhl, "How Important is the New Goods Margin in International Trade?" *Journal of Political Economy*, 121 (2013), 358–392.

K.-M. Yi, “Can Vertical Specialization Explain the Growth of World Trade?” *Journal of Political Economy*, 111 (2003), 52–102.

5. Applied General Equilibrium Analysis of Trade Policy

L. Caliendo and F. Parro, “Estimates of the Trade and Welfare Effects of NAFTA,” *Review of Economic Studies*, 82 (2015), 1–44.

Feenstra, Chapter 6.

P. J. Kehoe and T. J. Kehoe, “Capturing NAFTA's Impact with Applied General Equilibrium Models,” *Federal Reserve Bank of Minneapolis Quarterly Review*, 18:2 (1994), 17–34.

P. J. Kehoe and T. J. Kehoe, “A Primer on Static Applied General Equilibrium Models,” *Federal Reserve Bank of Minneapolis Quarterly Review*, 18:2 (1994), 2–16.

T. J. Kehoe, “An Evaluation of the Performance of Applied General Equilibrium Models of the Impact of NAFTA,” in T. J. Kehoe, T. N. Srinivasan, and J. Whalley, editors, *Frontiers in Applied General Equilibrium Modeling: Essays in Honor of Herbert Scarf*, Cambridge University Press, 2005, 341–377.

J. Romalis, “NAFTA’s and CUSFTA’s Impact on North American Trade,” University of Chicago, 2004.

D. Trefler, “The Long and Short of the Canada-U.S. Free Trade Agreement,” *American Economics Review*, 94 (2004), 870–895.