

Graduate International Trade Course – 8413
Thibault Fally, University of Colorado-Boulder
Fall 2010

Course outline (subject to marginal changes)

Economics 8413 is a course on International Trade designed for Ph.D. students in the Economics Department. It will cover theoretical as well as empirical issues, with an emphasis on firms. The prerequisites are first-year graduate courses in microeconomics, macroeconomics and econometrics. Students from other departments are welcome subject to instructor's approval.

First part: General theories (8 lectures)

- 1 lecture: introduction, motivation, data availability
- 3 lectures on traditional models: Ricardo, Heckscher Ohlin (review, empirical tests)
- 2 lectures on recent Ricardian models (Eaton Kortum 2002 and related developments)
- 2 lectures on increasing returns to scale, gravity equations, home market effect

Second part: Firms in Trade (12 lectures)

- 4 lectures on firm heterogeneity and international trade (theory): preliminary evidence on firm heterogeneity (motivation), Melitz 2003 model, endogenous markup models.
- 3 lectures on the empirics of firm heterogeneity, firm-level evidence
- 5 lectures on Multinational Firms: classical models, incomplete contract models.

Third part: Policy (8 lectures)

- 2 lectures on Trade and Institutions, Trade and financial constraints
- 1 lecture on Trade and the 2008 global crisis
- 5 lectures on Trade Policy (tariffs, FTA), political economy of trade policy

Other topics can be discussed, time permitting:

Trade and growth, Technology transfers, Trade and wage inequalities, Networks, Trade and environmental issues, Culture and trade, Quality and product standards, Multi-product firms.

Note: 1 lecture = 1h15.

Contact information

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Office: 11

Office hours: Monday and Wednesday, 2.00 – 3.00 pm and by appointment.

Course requirements and grading

At the end of each class, I will tell you which article(s) or book chapter(s) to read before the following lecture.

As part of the grade (20%), I will ask you to write comments almost every week on one article. There will be about 13 comments due in total, and I will decide your grade based on your 10 best comments. These articles will be posted on the course website. I would like to receive these comments no later than Saturday if the comment is due on Monday. Please include “8413” in the title of your email.

These comments should take about 10 lines, and should include: 1) a brief summary using your own words, 2) the most important contribution(s) of the paper, 3) its main limitations (if you see any), 4) and your questions (if any). The comments should be precise and clear (this is an important part of the grade on these comments). Do not copy parts of the abstract or conclusion, but find your own way to write these comments. If you feel that you have not understood an important point of the paper, please say it in the comments. That way, I can put an emphasis on those points during the lectures (your questions will remain confidential).

I will also ask you to comment one article more in details (15% of the grade). These comments may take the form of a referee report (approx. 5 pages) or a class presentation. Please choose an article (preferably an article that has not been covered in class in details) and send me an email with you preferences before I give my approval. I may ask you to choose another article. If you want to make a presentation instead of a referee report, you should ask me soon enough such that I can coordinate with the course content (e.g. before the midterm). Referee reports are due on December 3rd.

Class participation counts for another 15% of the grade. Please be on time and feel free to ask questions during the course. Attendance at the Department seminar is required when a trade paper is presented. Also, please come to visit my office at least once before the first midterm. I would like to hear your suggestions and check how you feel about the course.

There will be two exams: a midterm (15%) and a final (35%). The midterm will be on October 20th and the final will be on December 16th at 10.30am (registrar’s schedule).

Reading list

Asterisks (*) signal required readings. I won't cover all required readings in class, but I may still ask some broad questions on those that I did not cover in detail. Double asterisks (**) refer to key readings. The reading list may be updated throughout the semester (and posted on the course website).

Main book:

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

Other recommended books:

- Helpman, E. and P. Krugman, *Market Structure and Foreign Trade*, (Cambridge, MA, and London, The MIT Press), 1985.
- Grossman, G.M. and E. Helpman, *Innovation and Growth in the Global Economy*, (Cambridge, Ma, and London, The MIT Press), 1991.
- Grossman, G.M. and K. Rogoff (eds.), *Handbook of International Economics*, Vol. III, (Amsterdam, North Holland), 1995.
- Markusen J.R., J.R. Melvin, W.H. Kaempfer, K.E.Maskus, "International Trade: Theory and Evidence", McGraw-Hill, 1995
- "The Great Trade Collapse: Causes, Consequences, and Prospects", ed. by R. Baldwin, VoxEU.org, 2009

First part: General theories

Ricardian theory and tests

- ** Feenstra, 2003, chapter 1
- ** Eaton, J. and S. Kortum, "Technology, Geography, and Trade," *Econometrica*, 70 (5), 2002, 1741-1779.
- * 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.
- * Costinot, Arnaud and Ivana Komunjer, "What Goods Do Countries Trade: A Structural Ricardian Model," 2008, MIT mimeo
- * Donaldson, Dave, "Railroads of the Raj: Estimating the Economic Impact of Transportation Infrastructure", LSE mimeo
- Bernhofen, D.M. and J.C. Brown, "A Direct Test of the Theory of Comparative Advantage: The Case of Japan," *Journal of Political Economy* 112(1), 2004, 48-67.

Factor content of trade

- ** Feenstra, 2003, chapter 2, 3 and 4
- ** Trefler, D., "The Case of the Missing Trade and Other Mysteries," *American Economic Review*, December 1995, 85(5), 1029-46.

- * Davis, D.R. and D.W. Weinstein, "An Account of Global Factor Trade," *American Economic Review*, December 2001, 91(5), 1423-53.
- * Helpman, E. "The Structure of Foreign Trade," *Journal of Economic Perspectives*, Spring 1999, 13(2), 121-44.
- * Trefler, D., "International Factor Price Differences: Leontief was Right!," *Journal of Political Economy*, December, 1993, 101(6), 961-87.
- Choi, Y-S. and P. Krishna, "The Factor Content of Bilateral Trade: An Empirical Test," *Journal of Political Economy* 112(4), 2004, 887-914.
- Deardorff, A., "The General Validity of the Heckscher-Ohlin Theorem", *American Economic Review*, 72(4), September, 1982, 683-94.
- Deardorff, A.V., "Testing Trade Theories and Predicting Trade Flows", in Jones and Kenen, 1984
- Dornbusch, R., S. Fischer and P.A. Samuelson, "Heckscher-Ohlin Theory with a Continuum of Goods", *Quarterly Journal of Economics Papers*, 1980.
- Helpman, E., "The Factor Content of Foreign Trade ", *Economic Journal*, 1984.
- Helpman, E. "The Structure of Foreign Trade," *Journal of Economic Perspectives*, Spring 1999, 13(2), 121-44.
- Romalis, J., "Factor Proportions and the Structure of Commodity Trade," *American Economic Review*, March 2004, 94(1), 67-97.
- Schott, Peter K., "One Size Fits All? Heckscher-Ohlin Specialization in Global Production," *American Economic Review*, 2003, Vol. 93, 686-708.
- Vanek, J., "Factor Proportions Theory: The N-factor Case", *Kyklos*, 1968.

Product varieties, increasing returns, gravity equation

- ** Feenstra, 2003, chapter 5
- * Anderson, J. and van Wincoop, E. (2004) "Trade Costs", *Journal of Economic Literature*, 42, 691-751.
- * Anderson, J. and E. van Wincoop, "Gravity with Gravitas: A Solution to the Border Puzzle," *American Economic Review*, 2003, 170-192.
- * Broda, Christian and David Weinstein (2006). "Globalization and the Gains from Variety," *Quarterly Journal of Economics* 121(2).
- * Head, K. and T.Mayer (2004). "The Empirics of Agglomeration and Trade". In V.Henderson and J.F.Thisse (Eds.), *Handbook of Regional and Urban Economics*, Vol 4: 2609-2669. North Holland.
- * Krugman, P., "Increasing Returns, Monopolistic Competition, and International Trade", *Journal of International Economics* 1979.
- * Santos Silva, J. and Tenreyro, S. "The Log of Gravity", *Review of Economics and Statistics*, Vol. 88, No. 4, Pages 641-658.
- Antweiler, W. and D. Trefler, "Increasing Returns and All That: A View from Trade," *American Economic Review*, March 2002, 92(1), 93-119.
- Evenett, S., and W. Keller, "On Theories Explaining the Success of the Gravity Equation", *Journal of Political Economy* 2002.
- Helpman, E. and P. Krugman, *Market Structure and Foreign Trade*, (Cambridge, MA, and London, The MIT Press), 1985. Monopolistic competition: chapters 6 to 11.
- Hummels, David and Peter Klenow (2005). "The Variety and Quality of a Nation's Exports," *American Economic Review* 95, p.704-723.
- Krugman, P.R., "Scale Economies, Product Differentiation and the Pattern of Trade", *American Economic Review*, 1980.

- Krugman, P., "Increasing Returns and Economic Geography", *Journal of Political Economy* 1991.
- Krugman, P.R. and A. Venables, "Globalization and the Inequality of Nations," *Quarterly Journal of Economics*, November 1995, CX(4), 857-80.

Second part: Firms in trade

Firm heterogeneity: theory

- ** Melitz, Marc (2003). "The Impact of Trade on Intra-Industry Reallocations and Aggregate Industry Productivity," *Econometrica*, 71(6), p.1695-1725.
- ** Melitz, Marc and Gianmarco Ottaviano (2008). "Market Size, Trade and Productivity," *Review of Economic Studies*, forthcoming.
- * Chaney, Thomas (2008). "Distorted Gravity: The Intensive and Extensive Margins of International Trade," *American Economic Review*, forthcoming.
- * Bernard, Andrew, Jonathan Eaton, Bradford Jensen and Samuel Kortum (2003), "Plants and Productivity in International Trade," *American Economic Review*, 93(4), p.1268-1290.
- * Helpman, E., "Trade, FDI, and the Organization of Firms," *Journal of Economic Literature*, XLIV, 2006, 589-630
- * Yeaple, S., "A Simple Model of Firm Heterogeneity, International Trade, and Wages", *Journal of International Economics* 2005.
- Arkolakis, Costas (2007). "Market Access Costs and the New Consumers Margin in International Trade," Yale University mimeo.
- Bernard, Andrew, Stephen Redding and Peter Schott (2007). "Comparative Advantage and Heterogeneous Firms," *Review of Economic Studies* 74.

Empirics on firm heterogeneity

- ** Eaton, Jonathan, Samuel Kortum and Francis Kramarz (2004b). "Dissecting Trade: Firms, Industries, and Export Destinations," *American Economic Review* P&P, 94, p.150-154.
- ** Helpman, Elhanan, Marc Melitz and Yona Rubinstein (2008). "Estimating Trade Flows: Trading Partners and Trading Volumes," *Quarterly Journal of Economics*, forthcoming.
- ** Pavcnik, N. (2002), "Trade Liberalization, Exit, and Productivity Improvements: Evidence from Chilean Plants", *Review of Economic Studies* 69, January, pp. 245-76.
- * Bernard, Andrew, Bradford Jensen and Peter Schott (2007). "Importers, Exporters, and Multinationals: A Portrait of Firms in the U.S. that Trade Goods," Dartmouth Tuck mimeo.
- * Bernard, Andrew B., J. Bradford Jensen, Stephen J. Redding and Peter K. Schott, "Firms in International Trade," *Journal of Economic Perspectives*, 2007, 21(3), 105-130.
- Baldwin, Richard and James Harrigan (2007). "Zeros, Quality and Space: Trade Theory and Trade Evidence," NBER Working Paper No. 13214.
- Bernard and Jensen (1995). "Exporters, Jobs and Wages in U.S. Manufacturing, 1976-1987," *Brookings Papers on Economic Activity: Microeconomics*.

- Eaton, Jonathan, Marcela Eslava, Maurice Kugler and James Tybout (2008). "The Margins of Entry into Exports Markets: Evidence from Columbia," in E. Helpman, D. Marin and T. Verdier, eds., *The Organization of Firms in a Global Economy*, forthcoming, Harvard University Press.
- Eaton, Jonathan, Samuel Kortum and Francis Kramarz (2004a). "An Anatomy of International Trade: Evidence from French Firms," New York University mimeo.
- Tybout, James (2001). "Plant- and Firm-level Evidence on the New Trade Theories," in E. Kwan Choi and James Harrigan, ed., *Handbook of International Trade*, Oxford: Basil-Blackwell, 2003, and NBER Working Paper No. 8418.
- Bernard, Andrew and Bradford Jensen (1999). "Exceptional Exporter Performance: Cause, Effect, or Both?" *Journal of International Economics*, 47(1), p.1-25.
- Aw, B.Y., S. Chung and M.J. Roberts (2000). "Productivity and Turnover in the Export Market: Micro-level Evidence from the Republic of Korea and Taiwan(China)," *World Bank Economic Review*, 14(1), p.65-90.

... and particularly about sunk costs

- * Roberts, Mark and James Tybout (1997). "The Decision to Export in Colombia: An Empirical Model of Entry with Sunk Costs," *American Economic Review*, 87(4), p.545-564.
- * Dixit, Avinash (1989a). "Entry and Exit Decision under Uncertainty," *Journal of Political Economy*, 97(3), p.620-638.
- Dixit, Avinash (1989b). "Hysteresis, Import Penetration, and Exchange Rate Pass-Through," *Quarterly Journal of Economics*, 104(2), p.205-228.
- Das, Mita, Mark Roberts and James Tybout (2007). "Market Entry Costs, Producer Heterogeneity and Export Dynamics," *Econometrica*, 75(3).
- Bernard A. and J. B. Jensen (2004). "Why Some Firms Export," *The Review of Economics and Statistics*, 86(2).

Horizontal FDI

- ** Helpman, Elhanan, Marc Melitz, and Stephen Yeaple (2004). "Exports versus FDI with Heterogeneous Firms," *American Economic Review*, 94(1), p.300-316.
- * Brainard, Lael (1997). "An Empirical Assessment of the Proximity-Concentration Trade-off Between Multinational Sales and Trade," *American Economic Review*, 87(4), p.520-544.
- * Markusen, James (1984). "Multinationals, Multi-Plant Economies, and the Gains from Trade," *Journal of International Economics*, 16, p.205-226.
- * Markusen, James and Anthony Venables (2000). "The Theory of Endowment, Intra-industry and Multi-national Trade," *Journal of International Economics*, 52, p.209-234.
- Ethier, J.W. and J.R. Markusen, "Multinational Firms, Technology Diffusion and Trade," *Journal of International Economics*, 1996.
- Markusen, James (1995). "The Boundaries of Multinational Enterprises and the Theory of International Trade," *Journal of Economic Perspectives*, 9(2), p.169-189.
- Markusen, James and Anthony Venables (1998). "Multinational Firms and the New Trade Theory," *Journal of International Economics*, 46(2), p.183-203.
- Markusen, James (2002). *Multinational Firms and the Theory of International Trade*, Cambridge, MA, MIT Press.

- Ramondo, Natalia (2007). "Size, Geography, and Multinational Production," University of Texas at Austin mimeo.

Offshoring, vertical FDI,

- * Grossman, G., and E. Rossi-Hansberg, "Trading Tasks: A Simple Theory of Offshoring", AER, forthcoming
- * Antràs, Pol, Luis Garicano and Esteban Rossi-Hansberg (2006). "Offshoring in a Knowledge Economy," *Quarterly Journal of Economics*, 121(1), p.31-77.
- * Hanson, Gordon, Raymond Mataloni and Matthew Slaughter (2001). "Expansion Strategies of U.S. Multinational Firms," in Dani Rodrik and Susan Collins, eds., *Brookings Trade Forum 2001*, pp. 245-282.
- * Helpman, Elhanan (1984). "A Simple Theory of International Trade with Multinational Corporations," *Journal of Political Economy*, 92(3), p.451-471.
- * Yeaple, Stephen (2003b). "The Complex Integration Strategies of Multinationals and Cross Country Dependencies in the Structure of FDI," *Journal of International Economics*, 60, p.293-314.
- Carr, David, James Markusen and Keith Maskus (2001). "Estimating the Knowledge-Capital Model of the Multinational Enterprise," *American Economic Review*, 91(3), p.693-708.
- Grossman, G. M. and E. Helpman (2003) "Outsourcing versus FDI in Industry Equilibrium", *Journal of the European Economic Association*, vol. 1, no.2.
- Helpman, Elhanan and Paul Krugman (1985). *Market Structure and Foreign Trade*, Cambridge, MA: MIT Press. Chapter 12.
- Nunn, Nathan and Daniel Trefler, "The Boundaries of the Multinational Firm: An Empirical Analysis," in E. Helpman, D. Marin, and T. Verdier (eds.), *The Organization of Firms in a Global Economy* (Cambridge, MA: Harvard University Press), 2008.
- Yeaple, S.R., "Offshoring, Foreign Direct Investment, and the Structure of U.S. Trade," *Journal of the European Economic Association*, April-May 2006, 4(2-3), 602-611.
- Yi, Kei-Mu (2003). "Can Vertical Specialization Explain the Growth of World Trade?" *Journal of Political Economy*, 111(1), p.52-102.

Incomplete contracts and multinational production

- ** Antràs, P., "Firms, Contracts, and Trade Structure," *Quarterly Journal of Economics*, 2003, 1375-1418.
- ** Antràs, P. and E. Helpman, "Global Sourcing," *Journal of Political Economy* 112(3), 2004, 552-580.
- * Antràs, Pol and Esteban Rossi-Hansberg, "Organizations and Trade," 2008, forthcoming in *Annual Review of Economics*.
- Antras, P. (2005) "Incomplete Contracts and the Product Cycle," *American Economic Review*, Vol. 95, No. 4, September, pp. 1054-1073.
- Grossman, S. and Hart, O. (1986) "The Costs and Benefits of Ownership: A Theory of Vertical and Lateral Integration", *Journal of Political Economy* 94 (4).
- Hart, O. and Moore, J. (1990) "Property Rights and the Nature of Firms", *Journal of Political Economy* 98.

Host economy effect of FDI

- Aitken, B. and Harrison, A. (1999), "Do Domestic Firms Benefit from Direct Foreign Investment? Evidence from Venezuela", *American Economic Review*, Vol. 89.
- Carluccio, J. and T. Fally (2010), "Multinationals and Spillovers with Technological Incompatibilities in the Supply Chain", CEPR Discussion Paper 7866
- Javorcik Smarzynska B (2004), "Does Foreign Direct Investment Increase the Productivity of Domestic Firms? In Search of Spillovers through Backward Linkages", *American Economic Review*, Vol. 94.
- Markusen, J., and Venables, A.(1999), "Foreign direct investment as a catalyst for industrial development", *European Economic Review*, Vol. 43.
- Rodriguez-Clare, A. (1996) "Multinationals, Linkages, and Economic Development", *American Economic Review*, Vol. 86.

Third part: Policy

Institutions and trade

- ** Nunn, Nathan (2007). "Relationship-Specificity, Incomplete Contracts, and the Pattern of Trade," *Quarterly Journal of Economics*, 122(2), p.569-600.
- * Acemoglu, Daron, Pol Antràs and Elhanan Helpman (2005). "Contracts and Technology Adoption," *American Economic Review* 97(3), p.916-943.
- Levchenko, Andrei (2007). "Institutional Quality and International Trade," *Review of Economic Studies*, 74(3), p.791-819.
- Costinot, Arnaud (2008). "On the Origins of Comparative Advantage," *Journal of International Economics*.

Financial constraints and trade

- * Antràs, Pol, Mihir Desai, and Fritz Foley (2007). "Multinational Firms, FDI Flows and Imperfect Capital Markets," Harvard University mimeo.
- * Carluccio J. and T. Fally (2008) "Global Sourcing under Imperfect Capital Markets"
- * Manova, Kalina (2008). "Credit Constraints, Equity Market Liberalizations and International Trade," *Journal of International Economics*, forthcoming.
- Antràs, Pol and Ricardo Caballero (2007). "Trade and Capital Flows: A Financial Frictions Perspective," Harvard University mimeo.
- Desai, Mihir, Fritz Foley and Kristin Forbes (2006). "Financial Constraints and Growth: Multinational and Local; Firm Responses to Currency Depreciations," *Review of Financial Studies*, forthcoming.
- Do, Quy-Toan and Andrei Levchenko (2007). "Comparative Advantage, Demand for External Finance, and Financial Development," *Journal of Financial Economics*, 86(3), p.796-834.
- Manova, Kalina (2007). "Credit Constraints, Heterogeneous Firms and International Trade," Stanford University mimeo.

Trade and the 2008 global crisis

- The Great Trade Collapse: Causes, Consequences, and Prospects”, ed. by R. Baldwin., VoxEU.org. In particular: chapters 8, 9, 11
<http://www.voxeu.org/index.php?q=node/4297>
- Manova, K. and D. Chor, "Off the Cliff and Back: Credit Conditions and International Trade during the Global Financial Crisis", mimeo
- Eaton, J., S. Kortum, B. Neiman, and J. Romalis (2010): “Trade and the Great Recession”, mimeo

Trade policy

- ** Feenstra, 2003, chapters 7 and 9
- ** Bagwell, Kyle, and Robert W. Staiger. 1999. “An Economic Theory of GATT.” American Economic Review, 89(1): 215–48.
- ** Broda, C, N Limao and D. Weinstein, “Optimal Tariffs and Market Power: The Evidence” American Economic Review, 2008
- * Koujianou Goldberg, P. and G. Maggi, “Protection for Sale: An Empirical Investigation,” American Economic Review 89(5): 1135-55, December 1999.
- * Grossman, G.M. and E. Helpman, “Protection for Sale,” American Economic Review, September 1994, 84(4), 833-50.
- Bagwell, Kyle, and Robert W. Staiger. 2006. “What Do Trade Negotiators Negotiate About?” Empirical Evidence from the World Trade Organization. National Bureau of Economic Research Working Paper 12727.
- Grossman, G.M. and E. Helpman, “The Politics of Free Trade Agreements,” American Economic Review, September 1995, 84(4), 667-90.
- Aghion, P., P. Antras and E. Helpman, “Negotiating Free Trade,” Journal of International Economics, Vol. 73, No. 1, September 2007, pp. 1-30.

Other topics:

Trade and wage inequalities

- * Feenstra, R. and Hanson, G. (1996) “Globalization, Outsourcing, and Wage Inequality”, American Economic Review Papers and Proceedings, vol. 96 no 2, pp. 240-45.
- Bustos, Paula (2006). "Rising Wage Inequality in the Argentinean Manufacturing Sector: The Impact of Trade and Foreign Investment on Technology and Skill Upgrading," CREI mimeo.
- Helpman, Elhanan, Oleg Itskhoki and Stephen Redding, "Inequality and Unemployment in a Global Economy," mimeo, 2008.
- Verhoogen, Eric (2004). "Trade, Quality Upgrading and Wage Inequality in the Mexican Manufacturing Sector: Theory and Evidence from an Exchange-Rate Shock," Columbia University mimeo.
- Yeaple, Stephen (2005). "A Simple Model of Firm Heterogeneity, International Trade, and Wages," Journal of International Economics, 65(1), p.1-20.

Multi-product firms:

- Arkolakis, Costas and Marc Muendler (2007). "The Extensive Margin of Exporting Goods: A Firm-Level Analysis," UCSD mimeo.
- Bernard, Andrew, Stephen Redding and Peter Schott (2006a). "Multi-Product Firms and Product Switching," Dartmouth Tuck mimeo.
- Bernard, Andrew, Stephen Redding and Peter Schott (2006b). "Multi-Product Firms and Trade Liberalization," Dartmouth Tuck mimeo.
- Bernard, Andrew, Stephen Redding and Peter Schott (2006c). "Products and Productivity," Dartmouth Tuck mimeo.
- Eckel, C. and P. Neary, "Multi-Product Firms and Flexible Manufacturing in the Global Economy," *Review of Economic Studies*, forthcoming.

Trade, Innovation and Growth:

- Grossman, G.M. and E. Helpman, 1991
- Feenstra, 2003, Chapter 10.
- Baldwin, R and F. Robert-Nicoud "Trade and growth with heterogenous firms", *Journal of International Economics* 74(1), pp.21-34 (January 2008).
- Frankel, Jeffrey A. and Romer, David, "Does Trade Cause Growth?" *American Economic Review*, June 1999, 89(3), 379-399.
- Keller, W., "International Technology Diffusion", *Journal of Economic Literature* 2004.
- Rodriguez, Francisco and Rodrik, Dani, "Trade Policy and Economic Growth: A Skeptic's Guide to the Cross-National Evidence," *NBER Macroeconomics Annual*, Vol. 15, 2001.

Labor markets and trade

- ** Cuñat, Alejandro and Marc Melitz (2007). "Volatility, Labor Market Flexibility and Comparative Advantage," *NBER Working Paper #13062*.
- * Helpman, Elhanan and Oleg Itskhoki (2007). "Labor Market Rigidities, Trade and Unemployment," *Harvard University mimeo*.
- Davidson, Carl, Lawrence Martin and Steven Matusz (1999). "Trade and Search Generated Unemployment," *Journal of International Economics* 48, p.271-299.
- Davis, Donald (1998). "Does European Unemployment Prop Up American Wages? National Labor Markets and Global Trade," *American Economic Review* 88, p.478-494.
- Davis, Donald and James Harrigan (2007). "Good Jobs, Bad Jobs, and Trade Liberalization," *Columbia University mimeo*.

Trade and Networks:

- Rauch, J., and V. Trindade, "Information, Substitutability, and Globalization", *American Economic Review* 2003.
- Rauch, A. (1999) "Networks Versus Markets in International Trade" *Journal of International Economics* 48, 7-35.

University policies

- All policies:
<http://www.colorado.edu/policies/>
- Class behavior:
<http://www.colorado.edu/policies/classbehavior.html>
http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code
- Honor code:
<http://www.colorado.edu/academics/honorcode/>
<http://www.colorado.edu/policies/honor.html>
- Disabilities:
<http://www.colorado.edu/disabilityservices/>
- Religious practices:
http://www.colorado.edu/policies/fac_relig.html
- Sexual harassment:
<http://www.colorado.edu/odh/>