

UNIVERSITY OF BASEL
Faculty of Business and Economics

Advanced International Trade and Business
(No. 10625-01)

Prof. Rolf Weder

FS 2022

Thu 8-10, Fr 8-10

Location: S15, Faculty of BUS & ECON¹

6 CP

This lecture is offered in hybrid form. This means: I expect and encourage physical presence of the students on site during the lectures in order to allow for discussions before, during and after the lectures. However, in order to cope with the uncertainty of the pandemic and to accommodate restrictions and preferences of all students who are interested in the subject, most sessions can also be followed through Zoom and will also be recorded and put on SwitchTube. Questions by students in the class room will have priority. Guest lectures and longer discussions (e.g. about assignments) will not be recorded. Details about Zoom-Link, location of recorded videos and other teaching material will be provided on ADAM: https://adam.unibas.ch/goto_adam_crs_1244530.html.

1. Contents

This course deals with the effects that arise from the globalization of (an increasing number of) markets. We derive challenges for economic policy and strategic management of international firms. International trade theory offers an excellent framework in this respect. We deal with questions such as: “Who gains and who loses from selective integration of markets?”, “Which impacts arise from technological changes abroad and at home?”, “Why do multinational firms exist and what strategies should they follow in different circumstances?”, “How can we explain outsourcing and offshoring, what are the effects, how can international firms react?”, “What are some important challenges of globalization and how could they be met?”, “Do we observe ‘De-Industrialization’ in Switzerland and other industrial countries?”, “How is digitization likely to affect the global economy?”.

The course not only provides answers to these questions, but also introduces the concepts which current research in international trade and business is based on and constantly is using. We present and discuss the fundamental contributions of the “traditional” and “new” trade theory, also referring to current research in the field—empirical and theoretical. Research has always been very dynamic in this field. Thus, there is a huge amount of literature of which we can only select and discuss a small set. This requires that chapters from textbooks on the graduate level as well as prominent papers in scientific journals are used in the course. A selection of the most recent texts will be discussed in form of a “Mini-Conference”, the

¹ On the following dates we are in S9 (Faculty of Law): March 18, April 1, April 8; on May 19 we are in S13.

content of which can be influenced by the students through the choice of papers and chapters of books.

One of the challenges of this course--and of economics in general--is to constantly ask and answer the question in which way the insights can be useful for policy making and strategic management in companies. Each week that question will be discussed. I also plan two guest lectures towards the end which will allow us to digest, apply and extend what we have learnt throughout the course.

2. Literature

We will cover a number of chapters from the book published by Ronald W. Jones and myself that came out in December 2017 on *200 Years of Ricardian Trade Theory. Challenges of Globalization*, Cham: Springer International. The book is also available at our library that has a licence for the e-book version. Here is the link: <https://ub.unibas.ch/de/find-e-book/>. Additional literature is coming from various scientific papers published in international journals and (small) extracts from other books (including the textbook *Advanced International Trade* by Robert Feenstra (2016)). I will put those papers and extracts on ADAM which can not easily be found on the internet or downloaded from *EconLit* of the UB Wirtschaft. Note that for some chapters or papers, I only expect you to read *extracts* of them, as precisely indicated in the outline. I also will use some material from a current research project about the Swiss innovation landscape (the “Innoscape Project”). Some of this material can be found on the homepage of the Center of International Economics and Business (CIEB) at our faculty on the following link: <https://cieb.unibas.ch/de/>.

3. Learning Objectives

These are the learning objectives:

1. to know the scientific discussion in international trade and international business regarding „Globalization“ and „Outsourcing“,
2. to understand the major contributions of the classical, neoclassical and new trade theories, and how these insights are used in the current literature,
3. to get a flavour, how trade economists simplify international relationships in order to analyze and answer the questions posed above,
4. to gain insight into the current lively research in international trade and business,
5. to get to know and be able to apply concepts which allow international companies, international organizations and governments to solve problems which are important in practice.
6. to contribute to the current sometimes oversimplified and superficial discussion about the effects of “globalization”, on the basis of a good understanding of trade theory as well as the “mechanics” of international trade and business.
7. to get a better understanding of the possible effects of globalization together with technological changes (such as digitization) on individuals, firms, industries and countries--and also the environment. All of what we do in this course can and will be deepened in further courses and scientific papers.

4. Prerequisites

I expect that students have accomplished courses in “Principles in Economics” and “Intermediate Microeconomics”. If they have been exposed to a master-level Microeconomics course (in particular general equilibrium theory), they will find the technicalities of the course quite straightforward. Thus, this helps but is not a prerequisite. I also expect that students have been confronted with a course or some material in international trade or international business on the BA level. If the latter is not the case, students may need more time to, first, get used to the way of thinking in international trade and, second, to read the material covered in class. The most important ingredient for success is, however, the interest of students in the topic and their willingness to read and regularly participate in class.

5. How to Attain the Learning Objectives

Students should have a look at the *required reading in advance of each session*. Some of this reading is very short. I have reduced the required reading to the minimum. However, I will often go beyond this material and integrate further aspects into the lecture from the (additional) reading mentioned with an asterisk (*). Thus, I mention this literature to myself, but also as an aid for students’ further readings and, for example, for writing a Master Thesis. I do not expect you to look at this additional material if you regularly come to class. If you miss classes, the additional reading may be helpful to close gaps. I will put some handouts on ADAM in the evening before class which will serve us as background to be complemented in class by you (notes) and myself (lecture). Thus, an active participation in the course is important for your own learning process, but also for the discussions we plan to have in class.

6. Office Hours

I am available per email rolf.weder@unibas.ch and have got office hours on Thursdays from 16:00 to 16:30 through Zoom. The Zoom-Link is also mentioned on ADAM. For those students who would like to meet me at the office, please come to my office between 16:30 and 17:00 (4th floor, faculty building). If you have longer or bigger questions, you can inform me in advance by email and I can allocate a particular time slot to your inquiry.

7. Term Papers (Seminararbeiten) and Master Thesis

Students are welcome to write term papers (Seminararbeiten) or their Master Thesis on topics covered in class.

Term Papers: An interesting possibility is to write and present a paper as part of the Master seminar in “Law, Business and Economic Policy” (6 CP) which is offered by Prof. Jeffrey Macher (Georgetown University) and myself and held at Georgetown University and New York University in February 2023. The paper can be written during summer and the autumn term. The deadline for applications is beginning of July 2022. More information about the seminar can be found on the homepage of the Summer School in Law, Business and Economic Policy (Link: <https://wwz.unibas.ch/de/studium/summer-school/>). I am happy to advise you regarding topics—just contact me during the term.

Master Thesis: I am also happy to supervise Master theses of students who have completed this course. Some ideas of topics can be found on my homepage unter “Teaching”. But you

are encouraged also to contact me regarding current topics that are related to my own research and that of my team. Regarding Master Theses supervised by other colleagues in the area of international trade and international business, see Section 9 below.

8. Grade

The grade is based on a written exam at the end of the course as well as three accomplishments, two of which are optional. The questions of the written exam are based on the material presented and discussed in class. The first and second accomplishments (two assignments) are optional and consist of a problem set which can be submitted and will be marked. The grade obtained in each assignment will count 10% in the final grade if the final grade is lower than the grade achieved in an assignment. Thus, you can only gain regarding your final grade. The third accomplishment is mandatory and is related to a “Mini-Conference on Recent Readings in International Trade and Business” I organize with you on recent publications in international trade and business strategy.

The Mini-Conference includes a short presentation and a one-page summary you hand in when you give your presentation. You are expected to pick a text from a reading list I provide in the third week of the course. You write an essay of one page and also give a short presentation about it. Both the essay and the presentation include (i) a short summary of what you read and (ii) a short discussion on the background mainly (but not only) of what you have learnt in the course.² Thus, you basically answer two questions in your short essay and presentation: (1) what is the main argument in the paper or chapter? and (2) is the insight we gain important and convincing? The focus is on the intuition. Note that it is always helpful if your discussion is related or based on what we will already have learnt by then in class.

The target of this mandatory accomplishment is that you develop your skills of writing and speaking and, at the same time, deepen your knowledge in the field of international trade and business. The requirement that the essay should not be longer than one page is made on purpose: “in real life”, you will very often be expected to write short essays with a precise and concise argument. This accomplishment counts 30% in your final grade (presentation and essay each have a weight of 50% within this 30%).

This is thus the distribution of the weights in the final grade if you choose to use also the optional accomplishments (if not, the weight of the final exam increases to 60% or 70%):

1st Assignment (10%) -- Optional

2nd Assignment (10%) -- Optional

Mini-Conference (30%) -- Mandatory

Final exam (50%) -- Mandatory

If students read, regularly come to class, do the assignments and are interested in the text they present at the Mini-Conference they are optimally prepared for the final exam and will do fine in the course.

² Line spacing: 1.5. Font: Times Roman 12.

9. Closely Related Courses on the Master Level and Writing a Master Thesis

There are at least five courses offered by the faculty of Business and Economics on the Master level which are related to and build on “Advanced International Trade and Business”. Thus, there is a *great opportunity* for students interested in the field of International Trade and Business at the University of Basel to enroll in these additional courses. Thereby, you can exploit considerable synergies. These are the courses:

Prof. M. Scott Taylor (University of Calgary): International Trade, Resources and the Environment (3 CP, as part of the Guestprofessorship in Globalization, May 2 to May 13, 2022).

Prof. Jeffrey T. Macher (Georgetown University): Competitive Strategy (3 CP, as part of the Summer School in Law, Business and Economic Policy, June 27 to July 7, 2022).

Prof. Bradford Jensen (Georgetown University): Global Strategy for Multinational Companies (3 CP, offered as part of the Summer School in Law, Business and Economic Policy, July 7 to July 21, 2022).

Prof. John Wargo (Yale University): The Rise of International Environmental Risks: Corporate and Government Strategies (3 CP, offered as part of the Summer School in Law, Business and Economic Policy, August 2022).

Prof. John Mayo (Georgetown University): Tech Companies: Business Strategies and New Global Policy Tensions (3 CP, offered as part of the Summer School in Law, Business and Economic Policy, August 2022).

Note that my own course and all of these courses are part of the Major “International Business, Trade and the Environment”, newly launched in autumn 2022 (HS 22) as part of the Master of Science (MSc) in Business and Economics. Particularly those students who intend to graduate with this new Major are welcome to write a Master Thesis supervised by myself and/or (jointly) by the professors mentioned above. If you plan to do so, a good strategy is to enroll also in the U.S. Seminar of Law, Business and Economic Policy to write a seminar paper as a first step towards the Master Thesis. I am happy to give advice.

10. Programme

In the following, I describe the planned topics for each week or appointment. It is expected that the students have a look at the required literature in advance of the class. Additional literature, not required to be read but *partly* integrated in class by me, is mentioned below (*in small font with an asterisk (*)*). I may marginally adjust the programme as we go through. Note that JW refers to my textbook, published together with Ronald W. Jones in 2017.

24.2.22 Introduction: Current Issues and the Roots of Trade Theory

25.2.22 JW (2017), Chapters 20 and 3

JW (2017), Chapter 2, pp. 19-25

* Amiti and Wei (2005); Leamer (2007), pp. 83-106; Econ Talk (Leamer 2007); James (2009), Chapter 1; Feenstra (2010), Chapter 1; Helpman (2011), Chapters 1 and 2; Leamer (2012), Chapter 1; Desmet, Nagy and Rossi-Hansberg (2016); Antràs (2016), Chapter 1; Baldwin (2016), Introduction and Chapter 1; JW (2017), Extracts from Preface and Chapters 2, 9, 10, 11 and 16. Baldwin (2019), Chapters 1 and 10; Extracts from Rutzler and Weder (2021); Innoscape.ch.

- 3.3.22 The Standard Ricardian Trade Model: 2x2, NT Goods, Higher Dimensions**
4.3.22 JW (2017), Chapters 4 and 1
 JW (2017), Chapter 6, pp. 101-107
 * Feenstra (2016), Chapter 1, pp. 1-3; Dornbusch, Fischer, Samuelson (1977), *AER*, pp. 823-826; JW (2017), Chapter 7.
- 10.3.22 Basler Fasnacht Holidays**
11.3.22 Basler Fastnach Holidays
- 17.3.22 The Ricardian Trade Model: Implications, Applications and Extensions**
18.3.22 JW (2017), Chapters 5 and 19
 * Samuelson (2004), pp. 135-146; Jones and Ruffin (2008); Ohta and Nakagawa (2015); Jones (2000), Chapter 2; Costinot and Donaldson (2012); JW (2017), Chapter 12; Bernhofen and Brown (2018).
- 24.3.22 The Heckscher-Ohlin Model: Its Hypotheses and Their Empirical Analyses**
25.3.22 Feenstra (2016), Chapter 1, pp. 4-21
 Feenstra (2016), Chapter 2, pp. 25-30
 JW (2017), Chapter 6, pp. 107-111
 * Stolper and Samuelson (1941); Feenstra (2016), Chapter 2, pp. 30-49; Feenstra (2016), Chapter 3; Dornbusch, Fischer, Samuelson (1980); Krugman (2000); Helpman (2011), Chapter 3; Leamer (1996); Econ Talk (Autor 2016).
- 25.3.22 First Optional Assignment is available on ADAM at 17:00**
 The assignment can be solved and submitted individually or in a group of a maximum of two. If submitted works are identical, we will not grade them. Please type your answers. Deadline of submission: April 6, (Wednesday), 12:00. Send as PDF to augustin.ignatov@unibas.ch. We will not answer questions about the contents. If some problems are unclear from your point of view, make clear how you interpret the question and answer it.
- 31.3.22 The Specific Factors Model: Its Distributive Effects and Applications**
1.4.22 Feenstra (2016), Chapter 3, pp. 57-60
 Caves, Frankel, Jones (2007), Supplement of Chapter 5
 JW (2017), Chapter 15
 * Jones (2000), Chapter 3; Wood (1995); Bombardini, Kurz and Morrow (2012); Autor et al. (2014); Mohler, Weder and Wyss (2018); Autor et al. (2016); Econ Talk (Autor 2016); Weder (2018); Econ Talk (Glaeser 2018).
- 7.4.22 Increasing Returns and Home-Market Effects**
8.4.22 Feenstra (2016), Chapter 5, pp. 119-125
 Krugman (1980), *AER*, pp. 950-959
 * Krugman (1979); Weder (1995); Weder (2003); Feenstra (2016), Chapter 5, pp. 125-152; Ethier (1982); Helpman (2011), Chapter 4.
- 14.4.22 Easter-Holidays**
15.4.22 Easter-Holidays
- 21.4.22 Fragmentation, Trade in Tasks and in Intermediates**
22.4.22 Jones (2000), Chapter 7
 JW (2017), Chapter 6, pp. 111-112
 Grossman and Rossi-Hansberg (2008), pp. 1978-1980
 Baldwin (2006), pp. 9-35
 * Sanyal and Jones (1982); Timmer et al. (2014); Grossman and Rossi-Hansberg (2006); Feenstra (2016), Chapter 3; Benarroch and Weder (2006); Helpman (2011), Chapter 6; Autor (2013); Acemoglu and Autor (2011); Rutzler and Weder (2021)

22.4.22 Second Optional Assignment is available on ADAM at 17:00

The assignment can be solved and submitted individually or in a group of a maximum of two. If submitted works are identical, we will not grade them. Please type your answers. Deadline of submission: May 4, (Wednesday), 12:00. Send as PDF to augustin.ignatov@unibas.ch. We will not answer questions about the contents. If some problems are unclear from your point of view, make clear how you interpret the question and answer it.

28.4.22 Firm Heterogeneity, Productivity Improvement and Innovation

29.4.22 Bernard et al. (2007), pp. 105-116

Melitz and Trefler (2012), pp. 98-104

JW (2017), Chapters 17 and 18

* Eaton and Kortum (2002); Melitz (2003); Bernard et al. (2003); Feenstra (2016), Chapter 5, 155-183; Greenaway and Kneller (2007); Baldwin and Forslid (2010); Helpman (2011), Chapter 5; Desmet, Nagy and Rossi-Hansberg (2018); Lewrick, Mohler and Weder (2018); Noussair, Plott and Riezman (1995); Hart (2017); Antràs (2016), Chapter 2; Video by Paul Romer (Innoscape Talk #2); Melitz and Redding (2021).

5.5.22 Competitive Advantage and Multinational Companies

6.5.22 Porter (1990), *HBR*, pp. 73-93; Head (2008), Chapter 7; Antràs and Rossi-Hansberg (2009)

* Krugman (1991b), Chapter 1; Helpman (2011), Chapter 6; Helpman (2014); Nunn and Trefler (2013); Antràs (2014); Aghion and Holden (2011); Baldwin and Venables (2013); Enright and Weder (1996), Owens, Rossi-Hansberg and Sarte (2018); Baldwin (2016), Chapter 10; Rutzler and Weder (2021); Video by Severin Schwan (CEO Roche) (Innoscape Talk #1).

12.5.22 Time to Catch up and Presentation of Current Own Research

13.5.22 Guest Lecture I

19.5.22 Mini-Conference “Recent Readings in International Trade and Business”

20.5.22 (see special announcement)

Short Presentations of Short Essays

26.5.22 Ascension Day-Holidays

27.5.22 Ascension Day-Holidays

2.6.22 Guest Lecture II and/or Review

3.6.22 Final Exam

Bibliography (including some Further Reading)

- Acemoglu, Daron and David Autor (2011), “Skills, Tasks and Technologies: Implications for Employment and Earnings”, *Handbook of Labor Economics*, Volume 4b, 1043-1171.
- Aghion, Philippe and Richard Holden (2011), “Incomplete Contracts and the Theory of the Firm: What Have We Learned over the Past 25 Years?”, *Journal of Economic Perspectives*, 25, 2, 181-197.
- Amiti, Mary and Shang-Jin Wei (2005), “Fear of Service Outsourcing: Is it Justified?”, *Economic Policy*, 42, 307-347
- Antràs, Pol (2014), “Grossman-Hart (1986) Goes Global: Incomplete Contracts, Property Rights, and the International Organization of Production”, *Journal of Law, Economics, and Organization*, 30, i118-75
- Antràs, Pol (2016), *Global Production. Firms, Contracts and Trade Structure*, Princeton: Princeton University Press.
- Antràs, Pol and Esteban Rossi-Hansberg (2009), „Organizations and Trade“, *Annual Review of Economics*, 2009, 1, 1, pp. 43-64
- Autor, David H. (2013), “The ‘task approach’ to labor markets: an overview”, *Journal of Labour Market Research*, 46, 185-199.
- Autor, David H., David Dorn, Gordon H. Hanson (2016), “The China Shock: Learning from Labour Market Adjustment to Large Changes in Trade”, *NBER Working Paper*, Nr. 21906.
- Autor, David H., David Dorn, Gordon H. Hanson, Jae Song (2014), “Trade Adjustment: Worker-Level Evidence”, *Quarterly Journal of Economics*, 129, 4, 1799-1860.
- Baldwin, Richard E. (2006), “Globalisation: the great unbundling(s)”, *Economic Council of Finland* (http://graduateinstitute.ch/files/live/sites/iheid/files/sites/ctei/shared/CTEI/Baldwin/Publications/Chapters/Globalization/Baldwin_06-09-20.pdf) (February 19, 2017).
- Baldwin, Richard E. (2019), *The Globotics Upheaval. Globalization, Robotics and the Future of Work*, London: Weidenfeld & Nicolson
- Baldwin, Richard E. (2016), *The Great Convergence: Information, Technology and the New Globalization*, Cambridge (Mass.), Harvard University Press.
- Baldwin, Richard E. and Anthony J. Venables (2013), “Spiders and snakes: Offshoring and agglomeration in the global economy”, *Journal of International Economics*, 90, 245-254.
- Baldwin, Richard E. and Rikard Forslid (2010), “Trade Liberalization with Heterogeneous Firms”, *Review of Development Economics*, 14, 2, 161-176.
- Benarroch, Michael and Rolf Weder (2006), “Intra-Industry Trade in Intermediate Products, Pollution and Internationally Increasing Returns”, *Journal of Environmental Economics and Management*, 52, 675-689.
- Bernard, Andrew B., J. Bradford Jensen, Stephen J. Redding and Peter K. Schott (2007), “Firms in International Trade”, *Journal of Economic Perspectives*, 21, 3, 105-130.
- Bernard, Andrew B., Jonathan Eaton, J. Bradford Jensen and Samuel Kortum (2003), “Plants and Productivity in International Trade”, *American Economic Review*, 93, 4, 1268-1290.
- Bernhofen, Daniel M. and John C. Brown (2018), “On the Genius Behind David Ricardo’s 1817 Formulation of Comparative Advantage”, *Journal of Economic Perspectives*, 32, 4, 227-240.
- Bombardini, Matilde, Christopher Kurz and Peter Morrow (2012), “Ricardian trade and the impact of domestic competition on export performance”, *Canadian Journal of Economics*, 45, 2, 585-612.

- Brezis, Elise S., Paul R. Krugman and Daniel Tsiddon (1993), “Leapfrogging in International Competition: A Theory of Cycles in National Technological Leadership”, *American Economic Review*, 83, 5, 1211-1219.
- Caves, Richard E., Jeffrey A. Frankel und Ronald W. Jones (2007), *World Trade and Payments: An Introduction*, Boston: Addison Wesley (10th Edition).
- Costinot, Arnaud and Dave Donaldson (2012), “Ricardo’s Theory of Comparative Advantage: Old Idea, New Evidence”, *American Economic Review*, 102, 2 (May), 453-458.
- Desmet, Klaus, David Krisztian Nagy, Esteban Rossi-Hansberg (2016), “Defending globalisation: isolation would cost us dearly”, VOX-Article (<http://voxeu.org/article/defending-globalisation-isolation-would-cost-us-dearly>).
- Desmet, Klaus, David Krisztian Nagy, Esteban Rossi-Hansberg (2018), “The Geography of Development”, *Journal of Political Economy*, 122, 3, 903-983.
- Dornbusch, Rudiger, Stanley Fischer und Paul A. Samuelson (1977), “Comparative Advantage, Trade, and Payments in a Ricardian Model with a Continuum of Goods“, *American Economic Review*, 67, 823-839.
- Dornbusch, Rudiger, Stanley Fischer und Paul A. Samuelson (1980), “Heckscher-Ohlin Trade Theory with a Continuum of Goods “, *Quarterly Journal of Economics*, 95, 2, 203-224.
- Eaton, Jonathan and Samuel Kortum (2002), “Technology, Geography, and Trade”, *Econometrica*, 70, 5, 1741-1779.
- Eaton, Jonathan and Samuel Kortum (2012), “Putting Ricardo to Work”, *Journal of Economic Perspectives*, 26, 2, 65-90.
- Enright, Michael E. and Rolf Weder (1996)(Eds), *Studies in Swiss Competitive Advantage*, Bern: Peter Lang.
- Ethier, Wilfred J. (1982) “National and International Returns to Scale in the Modern Theory of International Trade”, *American Economic Review*, 72, 3, 389-405.
- Feenstra, Rober C. (2010), *Offshoring in the Global Economy*, Cambridge (Mass.): MIT Press.
- Feenstra, Robert C. (2016), *Advanced International Trade. Theory and Evidence*, Princeton University Press (2nd Edition).
- Greenaway, David and Richard Kneller (2007), “Firm Heterogeneity, Exporting and Foreign Direct Investment”, *The Economic Journal*, 117, F134-161.
- Grossman, Gene M. and Esteban Rossi-Hansberg (2006), “The Rise of Offshoring: It’s not Wine for Cloth Anymore” (mimeo), [<https://www.princeton.edu/~erossi/RO.pdf>].
- Grossman, Gene M. and Esteban Rossi-Hansberg (2008), “Trading Tasks: A Simple Theory of Offshoring”, *American Economic Review*, 98, 5, 1978-1997.
- Hart, Oliver (2017), “Incomplete Contracts and Control”, *American Economic Review*, 107, 7, 1731-1752.
- Head, Keith (2008), *Elements of Multinational Strategy*, Berlin: Springer
- Helpman, Elhanan (2011), *Understanding Global Trade*, Cambridge (Mass.): Harvard University Press.
- Helpman, Elhanan (2014), “Foreign Trade and Investment: Firm-level Perspectives”, *Economica*, 81, 14. 1-14.
- James, Harold (2009), *The Creation and Destruction of Value. The Globalization Cycle*, Cambridge (Mass.): Harvard University Press
- Jones, Ronald W. (2000), *Globalization and The Theory of Input Trade*, Cambridge: MIT Press.

- Jones, Ronald W. (2011), “Sense and Surprise in Competitive Trade Theory. 2010 WEAI Presidential Address”, *Economic Inquiry*, 49, 1, 1-12.
- Jones, Ronald W. (2012), “Real Wages and Non-Traded Goods”, *International Review of Economics and Finance*, 21, 1, 177-185.
- Jones, Ronald W. (2015), “On the Value of Small-Scale GE Models”, *International Journal of Economic Theory*, 11, 155-168.
- Jones, Ronald W., Roy J. Ruffin (2008), “The Technology Transfer Paradox”, *Journal of International Economics*, 75, 2, 321-328.
- Jones, Ronald W. and Rolf Weder (2017) (Eds), *200 Years of Ricardian Trade. Challenges of Globalization*, Cham: Springer International.
- Krugman, Paul R. (1979), “Increasing Returns, Monopolistic Competition, and International Trade”, *Journal of International Economics*, 9, 469-80.
- Krugman, Paul R. (1980), “Scale Economies, Product Differentiation, and the Pattern of Trade”, *American Economic Review*, 70, 950-953.
- Krugman, Paul R. (1991), “Increasing Returns and Economic Geography”, *Journal of Political Economy*, 99, 3, 483-499.
- Krugman, Paul R. (1991), *Geography and Trade*, Cambridge: MIT Press.
- Krugman, Paul R. (2000), “Technology, Trade and Factor Prices”, *Journal of International Economics*, 50, 51-71.
- Krugman, Paul R., Maurice Obstfeld and Marc J. Melitz (2015), *International Economics. Theory and Policy*, Essex: Pearson
- Leamer, Edward E. (1996), “In Search of Stolper-Samuelson Effects on U.S. Wages”, *NBER Working Paper*, Nr. 5427.
- Leamer, Edward E. (2007), “A Flat World, A Level Playing Field, a Small World After All, or None of the Above? A Review of Thomas L. Friedman’s ‘The World is Flat’”, *Journal of Economic Literature*, 45, 1, 83-126.
- Leamer, Edward E. (2012), *The Craft of Economics: Lessons from the Heckscher-Ohlin Framework*, MIT Press.
- Lewrick, Ulf, Lukas Mohler and Rolf Weder (2018), “Productivity Growth from an International Trade Perspective”, *Review of International Economics* (in Print).
- Melitz, Marc (2008), “International Trade and Heterogeneous Firms”, *New Palgrave Dictionary of Economics*, 2nd Edition.
- Melitz, Marc and Stephen Redding (2021), “Trade and Innovation”, NBER Working Paper Series, No. 28945, National Bureau of Economic Research, Cambridge (Mass.).
- Melitz, Marc and Daniel Trefler (2012), “Gains from Trade when Firms Matter”, *Journal of Economics Perspectives*, 26, 2, 91-118.
- Melitz, Marc J. (2003), “The Impact of Trade on Intra-Industry Reallocations and Aggregate Industry Productivity”, *Econometrica*, 71, 6, 1695-1725.
- Mohler, Lukas, Rolf Weder and Simone Wyss (2018), “International Trade and Unemployment: Towards An Investigation of the Swiss Case”, *Swiss Journal of Economics and Statistics*, 154, 10, 1-12.
- Noussair, Charles N., Charles R. Plott and Ray Riezman (1995), “An Experimental Investigation of the Patterns of International Trade”, *American Economic Review*, 85, 3, 462-491.

- Nunn, Nathan and Daniel Trefler (2013), “Incomplete Contracts and the Boundaries of the Multinational Firm”, *Journal of Economic Behaviour & Organization*, 94, 330-344.
- Owens, Raymond III and Esteban Rossi-Hansberg (2018), “Rethinking Detroit”, *Working Paper*
- Ohta, Hiroshi and Hironobu Nakagawa (2015), “On the ‘Technology Transfer’ Paradox and ‘Worsening Terms of Trade’ Paradox”, *Asia-Pacific Journal of Accounting & Economics*, 15, 41-54
- Ohyama, Michihiro and Ronald W. Jones (1995), “Technology Choice, Overtaking, and Comparative Advantage”, *Review of International Economics*, 3, 2, 224-234.
- Porter, Michael E. (1990), “The Competitive Advantage of Nations”, *Harvard Business Review*, 73-93.
- Ricardo, David (1817), *The Principles of Political Economy and Taxation*, London: J.M. Dent & Sons Ltd. (Ausgabe 1917).
- Rutzer, Christian und Rolf Weder (2021), *De-Industrialisierung der Schweiz? Fakten, Gründe und Strategien im internationalen Vergleich*, Wiesbaden: Springer Gabler.
- Samuelson, Paul A. (2004), “Where Ricardo and Mill Rebut and Confirm Arguments of Mainstream Economists Supporting Globalization”, *Journal of Economic Perspectives*, 18, 3, 135-146.
- Sanyal, Kalyan K. and Ronald W. Jones (1982), „The Theory of Trade in Middle Products“, *American Economic Review*, 72, 1, 16-31.
- Stolper, Wolfgang and Paul Samuelson (1941), “Protection and Real Wages”, *The Review of Economic Studies*, 9, 1, 58-73.
- Timmer, Marcel P., Abdul Azeez Erumban, Bart Los, Robert Stehrer and Gaaitzen J. de Vries (2014), “Slicing Up Global Value Chains”, *Journal of Economic Perspectives*, 28, 2, 99-118.
- Weder, Rolf (1995), “Linking Absolute and Comparative Advantage to Intra-Industry Trade Theory“, *Review of International Economics*, 3, 3, 342-354.
- Weder, Rolf (2003), “Comparative Home-Market Advantage: An Empirical Analysis of British and American Exports”, *Review of World Economics* (Weltwirtschaftliches Archiv), 139, 2, 220-247.
- Weder, Rolf (2018), “WTO trade policy review for Switzerland: In need for a new paradigm”, *The World Economy*, 41, 12, 3524-3535.
- Wood, Adrian (1995), “How Trade Hurt Unskilled Workers”, *Journal of Economic Perspectives*, 9, 3, 57-80.