

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Impact of International Trade on Wages

Volume Author/Editor: Robert C. Feenstra, editor

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-23936-2

Volume URL: <http://www.nber.org/books/feen00-1>

Conference Date: February 27-28, 1998

Publication Date: January 2000

Chapter Title: Front matter, table of contents, acknowledgment

Chapter Author: Robert C. Feenstra

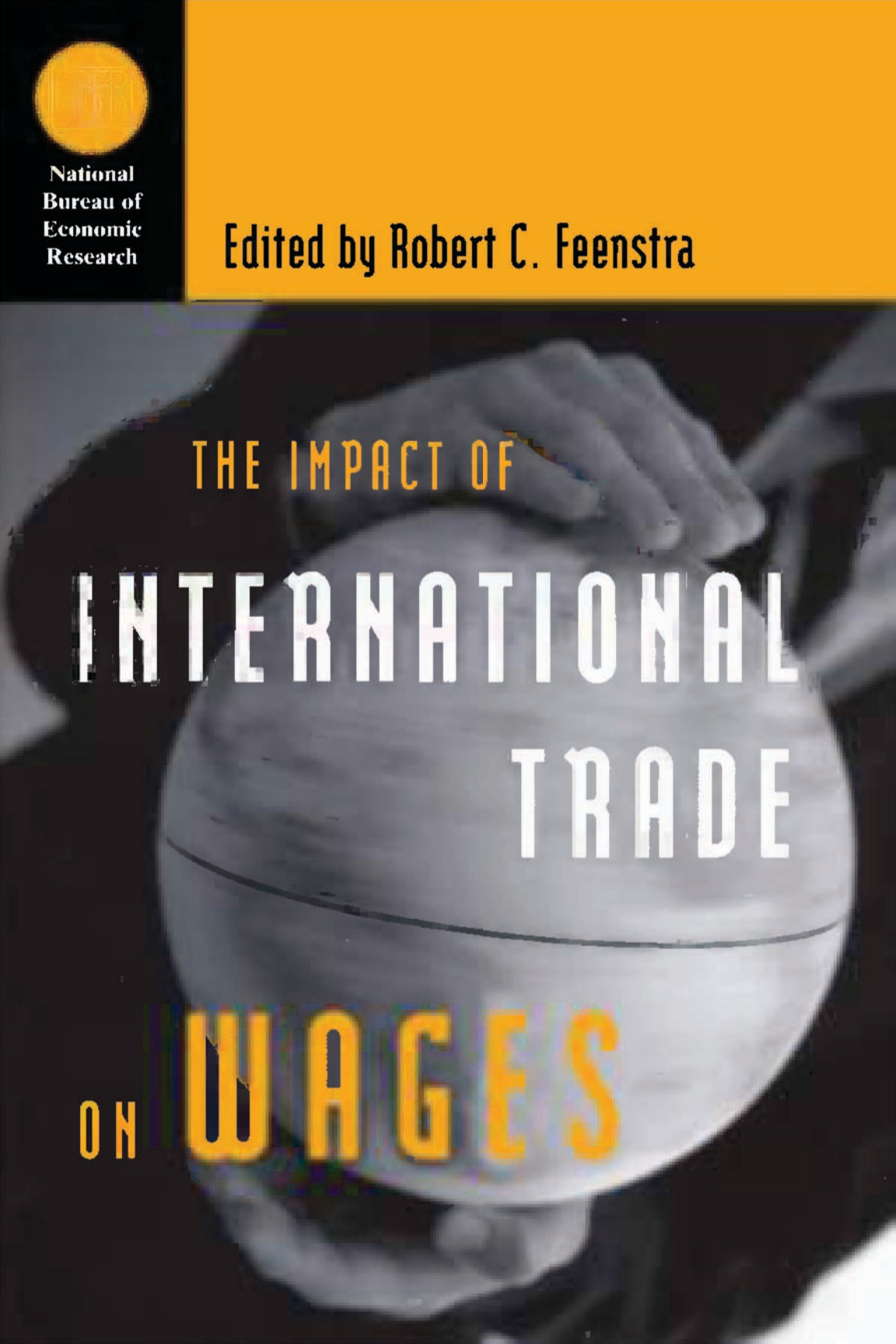
Chapter URL: <http://www.nber.org/chapters/c6187>

Chapter pages in book: (p. -11 - 0)



National
Bureau of
Economic
Research

Edited by Robert C. Feenstra

A black and white photograph of a person's hands holding a globe of the Earth. The hands are positioned at the top and bottom of the globe, with fingers wrapped around it. The background is dark, making the hands and the globe stand out.

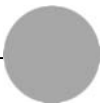
THE IMPACT OF
**INTERNATIONAL
TRADE**
ON **WAGES**

This Page Intentionally Left Blank

The Impact of International Trade on Wages



**A National Bureau
of Economic Research
Conference Report**



The Impact of International Trade on Wages

Edited by **Robert C. Feenstra**

The University of Chicago Press

Chicago and London

ROBERT C. FEENSTRA is professor of economics at the University of California, Davis, and director of the International Trade and Investment Program at the National Bureau of Economic Research.

The University of Chicago Press, Chicago 60637
The University of Chicago Press, Ltd., London
© 2000 by the National Bureau of Economic Research
All rights reserved. Published 2000
Printed in the United States of America
09 08 07 06 05 04 03 02 01 00 1 2 3 4 5
ISBN: 0-226-23963-2 (cloth)

Library of Congress Cataloging-in-Publication Data

The impact of international trade on wages / edited by Robert C. Feenstra.

p. cm. — (A National Bureau of Economic Research conference report)

“This volume contains revised versions of the papers and discussion presented at a National Bureau of Economic Research conference held in Monterey, California, on February 27–28, 1998”—Ackn.

Includes bibliographical references and index.

ISBN 0-226-23963-2 (cloth : alk. paper)

1. Foreign trade and employment—United States—Congresses. 2. International trade—Congresses. 3. Wages—United States—Congresses. I. Feenstra, Robert C.

II. Conference report (National Bureau of Economic Research)

HD5710.75.U6 I447 2000

331.2'973—dc21

99-086530

⊗ The paper used in this publication meets the minimum requirements of the American National Standard for Information Sciences—Permanence of Paper for Printed Library Materials, ANSI Z39.48-1992.

National Bureau of Economic Research

Officers

Carl F. Christ, <i>chairman</i>	Susan Colligan, <i>corporate secretary</i>
Kathleen B. Cooper, <i>vice-chairman</i>	Kelly Horak, <i>controller and assistant corporate secretary</i>
Martin Feldstein, <i>president and chief executive officer</i>	Gerardine Johnson, <i>assistant corporate secretary</i>
Robert Mednick, <i>treasurer</i>	
Sam Parker, <i>chief financial officer</i>	

Directors at Large

Peter C. Aldrich	Martin Feldstein	Rudolph A. Oswald
Elizabeth E. Bailey	Stephen Friedman	Robert T. Parry
John H. Biggs	George Hatsopoulos	Peter G. Peterson
Andrew Brimmer	Karen N. Horn	Richard N. Rosett
Carl F. Christ	Judy C. Lewent	Kathleen P. Utgoff
Don R. Conlan	John Lipsky	Marina v.N. Whitman
Kathleen B. Cooper	Leo Melamed	Martin B. Zimmerman
George C. Eads	Michael H. Moskow	

Directors by University Appointment

George Akerlof, <i>California, Berkeley</i>	Marjorie B. McElroy, <i>Duke</i>
Jagdish Bhagwati, <i>Columbia</i>	Joel Mokyr, <i>Northwestern</i>
William C. Brainard, <i>Yale</i>	Andrew Postlewaite, <i>Pennsylvania</i>
Glen G. Cain, <i>Wisconsin</i>	Nathan Rosenberg, <i>Stanford</i>
Franklin Fisher, <i>Massachusetts Institute of Technology</i>	Craig Swan, <i>Minnesota</i>
Saul H. Hymans, <i>Michigan</i>	David B. Yoffie, <i>Harvard</i>
	Arnold Zellner, <i>Chicago</i>

Directors by Appointment of Other Organizations

Marcel Boyer, <i>Canadian Economics Association</i>	Richard D. Rippe, <i>National Association for Business Economics</i>
Mark Drabenstott, <i>American Agricultural Economics Association</i>	John J. Siegfried, <i>American Economic Association</i>
Gail D. Fosler, <i>The Conference Board</i>	David A. Smith, <i>American Federation of Labor and Congress of Industrial Organizations</i>
A. Ronald Gallant, <i>American Statistical Association</i>	Josh S. Weston, <i>Committee for Economic Development</i>
Robert S. Hamada, <i>American Finance Association</i>	Gavin Wright, <i>Economic History Association</i>
Robert Mednick, <i>American Institute of Certified Public Accountants</i>	

Directors Emeriti

Moses Abramovitz	Franklin A. Lindsay	Bert Seidman
George T. Conklin, Jr.	Paul W. McCracken	Eli Shapiro
Thomas D. Flynn	Geoffrey H. Moore	
Lawrence R. Klein	James J. O'Leary	

Since this volume is a record of conference proceedings, it has been exempted from the rules governing critical review of manuscripts by the Board of Directors of the National Bureau (resolution adopted 8 June 1948, as revised 21 November 1949 and 20 April 1968).

This Page Intentionally Left Blank

Contents

Acknowledgments	ix
Introduction	1
Robert C. Feenstra	
I. SHIFTS IN LABOR DEMAND	
1. And Now for Something Completely Different: An Alternative Model of Trade, Education, and Inequality	15
Paul Krugman	
<i>Comment:</i> James E. Rauch and Magnus Lofstrom	
2. Effort and Wages: A New Look at the Interindustry Wage Differentials	37
Edward E. Leamer and Christopher F. Thornberg	
<i>Comment:</i> Alan V. Deardorff	
3. Offshore Assembly from the United States: Production Characteristics of the 9802 Program	85
Robert C. Feenstra, Gordon H. Hanson, and Deborah L. Swenson	
<i>Comment:</i> James A. Levinsohn	

II. THE ROLE OF PRODUCT PRICES

- 4. What Are the Results of Product-Price Studies and What Can We Learn from Their Differences?** 129
Matthew J. Slaughter
Comment: Robert E. Baldwin
- 5. International Trade and American Wages in General Equilibrium, 1967–1995** 171
James Harrigan
Comment: Jonathan Eaton
- 6. Does a Kick in the Pants Get You Going or Does It Just Hurt? The Impact of International Competition on Technological Change in U.S. Manufacturing** 197
Robert Z. Lawrence
Comment: Alan B. Krueger

III. VARIATION IN WAGES ACROSS STATES AND INDUSTRIES

- 7. Understanding Increasing and Decreasing Wage Inequality** 227
Andrew B. Bernard and J. Bradford Jensen
Comment: Lee G. Branstetter
- 8. Exchange Rates and Local Labor Markets** 269
Linda Goldberg and Joseph Tracy
Comment: Andrew K. Rose
- 9. Trade Flows and Wage Premiums: Does Who or What Matter?** 309
Mary E. Lovely and J. David Richardson
Comment: George J. Borjas
- 10. Trade and Job Loss in U.S. Manufacturing, 1979–1994** 349
Lori G. Kletzer
Comment: Lisa M. Lynch
- Contributors 397
Author Index 399
Subject Index 403

Acknowledgments

This volume contains revised versions of the papers and discussion presented at a National Bureau of Economic Research conference held in Monterey, California, on 27–28 February 1998. Financial support from the Ford Foundation is gratefully acknowledged. I thank Kirsten Foss Davis and Helena Fitz-Patrick for their dedicated assistance with the conference and the volume.

This Page Intentionally Left Blank