

PIPC Online Speaker Series

Jason Davis - Postdoctoral Fellow at University of Pennsylvania's Browne Center for International Politics

“Firms, Dynamics, and Stumbling Blocks in Trade”

A longstanding question in the international political economy literature is whether or not preferential trade agreements (PTAs) are "building blocks" or "stumbling blocks" in the larger project of building a more open world trading system. This paper presents a dynamic political economy model with three important features - heterogeneous firms, technology-based differences in comparative advantage across countries, and fixed costs to lobbying - that demonstrates that the impact of PTAs on demands for future liberalization can be conditional on the characteristics of the parties to a given PTA. In particular, while international competition leads to a within-industry shift in the distribution of firms towards larger, more productive firms, when this occurs within a PTA for countries that are otherwise at a comparative disadvantage in that industry with respect to world markets, it can actually strengthen protectionist demands by politically empowering firms who would be threatened by extra-PTA foreign competition.

Registration: <https://pipcoss-8-28-20.eventbrite.com>

****Registration is required to receive the presentation ZOOM link****

August 28, 6pm (PST)

August 28, 9pm (EST)

August 29, 10am (Japan)

August 29, 9am (Singapore)

**** ZOOM account required for login****