CONTENTS

| | List of figures List of tables List of boxes | vii ix xi |
|---|---|-----------------|
| I | Introduction The growth of trade 4 History of trade 6 Globalization and contemporary trade patterns 10 Objective of the book 12 Outline of the book 13 | 1 |
| 2 | Trade theory Comparative advantage 17 The Heckscher—Ohlin model 23 The Stolper—Samuelson theorem 29 Leontieff's Paradox 31 Terms of trade 32 New trade theory: economies of scale and imperfect competition in trade models 33 New, new trade theory: global outsourcing 35 | 16 |
| 3 | Transnational corporations, trade and the global economy Origins of TNCs and why firms internationalize 44 The growth of transnational corporations 53 Global production networks and commodity value chains 59 | 43 |

| | Capturing value in global production networks 64 TNCs and trade 66 | |
|---|---|-------------------|
| 4 | Institutional theories 74 GATT and WTO 79 | 73 |
| | Geography of trade: integration and regional trade agreements 84 Is geography destiny? Regionalism and regional economic integration 86 | |
| 5 | Trade and development Dynamic comparative advantage 106 Unequal exchange 107 Import-substitution and export promotion 110 Asian flying geese 116 | 104 |
| 6 | Impact of trade Special economic zones 133 Impact on labor 137 Trade and labor standards 138 Trade, jobs and wages 141 Ethical trade 144 Environment and sustainability 148 Environmental policy and trade agreements 153 | 132 |
| 7 | Conclusion Trends and directions 160 | 159 |
| | Glossary Bibliography Index | 177 185 194 |