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CONTENTS
Aid for trade as a public good
Chun-Chieh Wang 711
Network externalities, transport costs, and tariffs
Kenji Fujiwara 729
Does foreign direct investment really enhance China’s regional productivity?
Chun-Hung Lin, Chia-Ming Lee and Chih-Hsiang Yang 741
The factor content of Chinese trade
Kathryn G. Marshall 769
International financial integration and real exchange rate long-run dynamics in emerging countries: Some panel evidence
Guglielmo Maria Caporale, Thouraya Hadj Amor and Christophe Rault 789
The effects of exchange rate fluctuations on exports: A sectoral analysis for Turkey
Nergiz Dincer and Magda Kandil 809
Book review 839
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International trade and its impact on economic growth crucially depend on globalization. As far as the impact of international trade on economic growth is concerned, the economists and policy makers of the developed and developing economies are divided into two separate groups. One group of economists is of the view that international trade has brought about unfavorable changes in the economic and financial scenarios of the developing countries. According to them, the gains from trade have gone mostly to the developed nations of the world. Liberalization of trade policies, reduction of tariffs The development of international trade theory has created a wide array of different theories, concepts and results. Economic students are trained to understand international interactions by severally incompatible theories one by one in the same course. In order to overcome incoherence among multiple theories, we need a general theoretical framework which enables us to account for the phenomena explained by the current theories in a unified manner to draw together all of the disparate branches of trade theory into a single organized system of knowledge.