

The greatest strength of this thoroughly revised and expanded edition of *Lectures on International Trade* is its rigorous algebraic and geometric treatment of the various models and results of trade theory. The authors, who now include Arvind Panagariya, offer both policy insights and empirical applications. They have added nine entirely new chapters as well as new sections to several existing chapters (e.g., a greatly expanded treatment of the growing theory of preferential trade agreements). The new chapters are on:

- the specific-factors model
- the “higher-dimensional” trade theory and empirical verification of the Heckscher-Ohlin-Vanek theory
- duality in trade theory
- algebra of the Heckscher-Ohlin and specific-factors models
- the theories of international trade in the presence of scale economies, including models of economic geography
- nontariff instruments of trade policy, chiefly AD, VERs, and VIEs
- trade policy under oligopoly and monopolistic competition
- trade policy reform
- application of the new literature on endogenous growth to trade theory and policy