学位論文内容の要旨

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学位論文題名

Trade Policy, Lobbying and Heterogeneous Firms

The current research agenda of international trade revolves around decision making at the firm-level. Correspondingly, the recent evidence show that firm-level decisions have the implications of macro-level, e.g. the decision of an individual firm in an industry to adopt new technology affects the technological level of the whole industry, or the pricing decision of an individual firm affects the average national price. Therefore, the behavior of an individual firm in an economy is now considered as the key to unraveling the dynamics of trade. In this regard, the model of heterogeneous firms developed by Melitz (2003) has almost become the standard framework for the analysis. On the other hand, international trade literature presents overwhelming arguments in favor of free trade. However, the real-world trade is far from free and still face a lot of trade barriers and mostly regulated with trade policy. The implementation of trade policy has both direct and indirect effects on the decision making of the firm within an industry. Therefore, understanding the trade policy formation within the heterogeneous firms' framework of Melitz (2003) is essential to broaden the insights of the firm's behavior. The study in hand takes a step towards this direction and characterized trade policy formation in the heterogeneous firms model. Furthermore, it also develops a theoretical model to illustrate how trade policy affects the decision of an individual firm, particularly the decision of technology adoption.

To elaborate on the process of trade policy formation within the heterogeneous firms model, the study proceeds in two steps. In the first step, we consider the case of unilateral trade policy with the possibility of having import tariffs, import subsidy, export tax, and export subsidy as potential trade policy instruments. The results suggest that the instruments selected by a welfare-maximizing policymaker at the equilibrium are import tariff and export tax. In the second step, we consider the case of bilateral trade policy formation and the possibilities of having cooperation and no-cooperation between two countries in policy formation are also explored, where in two technologically different countries, firms in the less technological advance home country face the critical question, either to adopt or resist new technology once trade opens. The results emerge from the discussion indicate that the market size and the political institutions of the country play a critical role in this regard. If the market size is large, then firms will adopt new technology more rapidly. Similarly, in the event of having a strong democracy, adoption will be rapid. In the event of a weak democracy, firms will resist the adoption and lobby for higher trade restrictions.