



FAKULTÄT FÜR
WIRTSCHAFTSWISSENSCHAFT

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4. Trade Theories II
Resources and Trade: The Heckscher-Ohlin Model
– Part 4 – Graphs

Table 4–2: Factor Content of U.S. Exports and Imports for 1962

	Imports	Exports
Capital per million dollars	\$2,132,000	\$1,876,000
Labor (person-years) per million dollars	119	131
Capital-labor ratio (dollars per worker)	\$17,916	\$14,321
Average years of education per worker	9.9	10.1
Proportion of engineers and scientists in work force	0.0189	0.0255

Source: Robert Baldwin, “Determinants of the Commodity Structure of U.S. Trade,” *American Economic Review* 61 (March 1971), pp. 126–145.

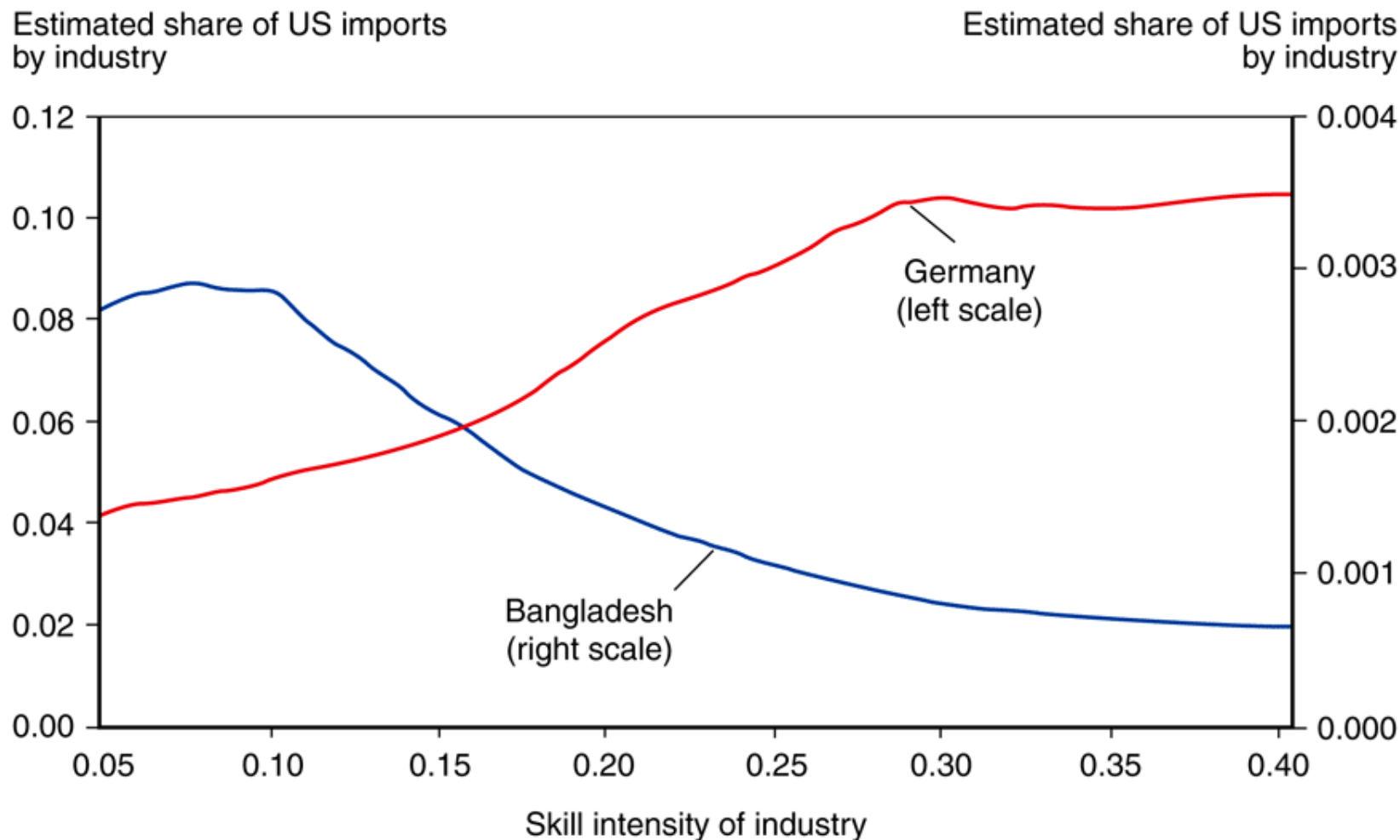
Table 4–3: Testing the Heckscher–Ohlin Model

Factor of Production	Predictive Success*
Capital	0.52
Labor	0.67
Professional workers	0.78
Managerial workers	0.22
Clerical workers	0.59
Sales workers	0.67
Service workers	0.67
Agricultural workers	0.63
Production workers	0.70
Arable land	0.70
Pasture land	0.52
Forest	0.70

*Fraction of countries for which net exports of factor runs in predicted direction.

Source: Harry P. Bowen, Edward E. Leamer, and Leo Sveikauskas, “Multicountry, Multifactor Tests of the Factor Abundance Theory,” *American Economic Review* 77 (December 1987), pp. 791–809.

Figure 4–19: Skill Intensity and the Pattern of U.S. Imports from Two Countries



Source: John Romalis, “Factor Proportions and the Structure of Commodity Trade,” *American Economic Review* 94 (March 2004), pp. 67–97.

See: Krugman, Obstfeld, Melitz (2012). *International Economics – Theory and Policy*, 9th Edition. p. 132.

Figure 4-20: Changing Patterns of Comparative Advantage - 1960

Share of U.S. imports by industry

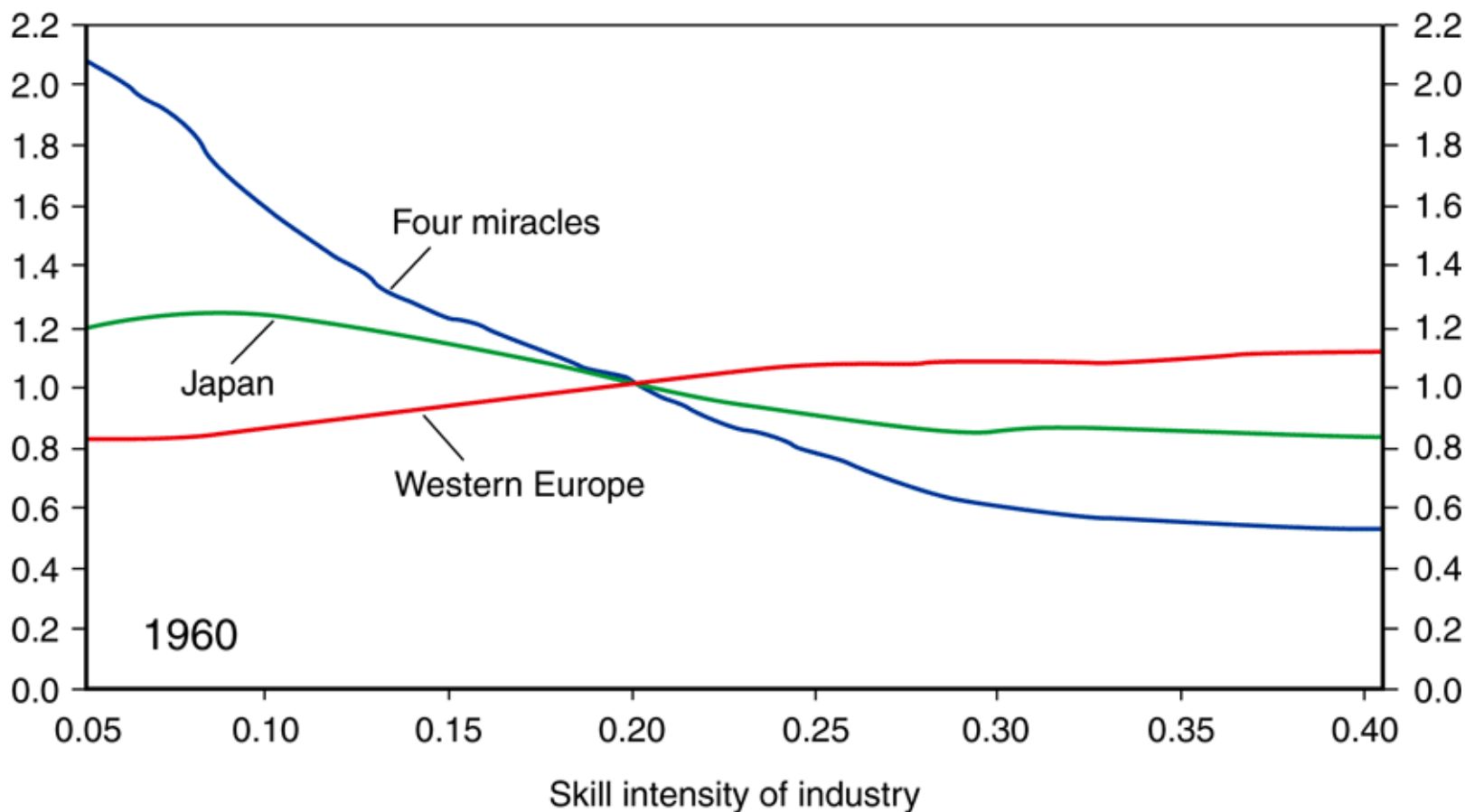


Figure 4-21: Changing Patterns of Comparative Advantage - 1998

Share of U.S. imports by industry

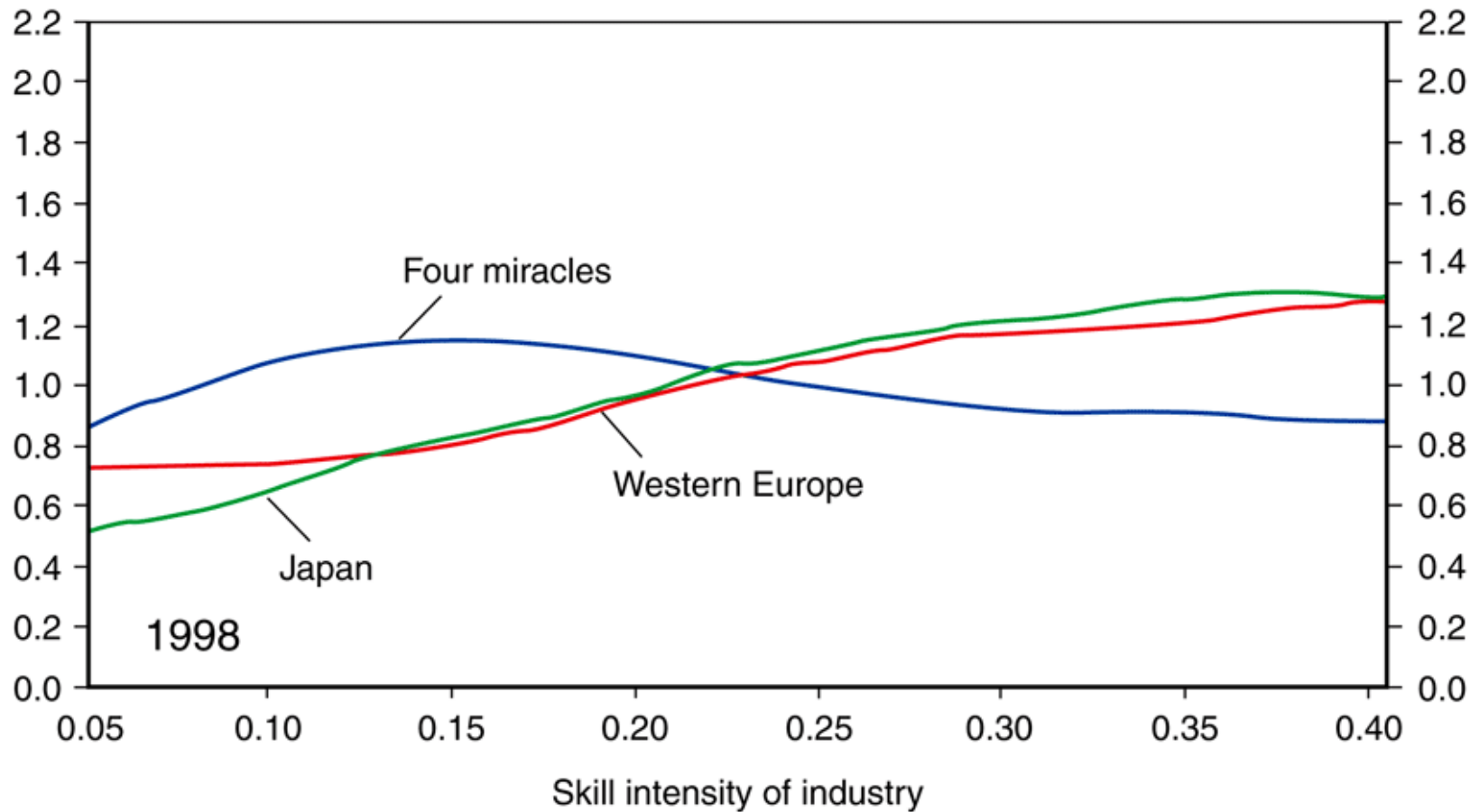


Table 4–4: Estimated Technological Efficiency, 1983 (United States = 1)

Country	
Bangladesh	0.03
Thailand	0.17
Hong Kong	0.40
Japan	0.70
West Germany	0.78

Source: Daniel Treffer, “The Care of the Missing Trade and Other Mysteries,” *American Economic Review* 85 (December 1995), pp. 1029–1046.

See: Krugman, Obstfeld, Melitz (2012). *International Economics – Theory and Policy*, 9th Edition. p. 131.