**Research Seminar**

**Theme:** International trade Theory

**Title:** Skills, Tasks, and Technologies and Income Inequality Under Trade Liberalization

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**Overview**

The immerse rate of technological progress and globalisation that had been experienced in recent decades drew attention on changes in the returns to skills and the evolution of earnings, thereby income inequality. Substantial number of dynamics observed and challenged researchers such as job polarization, substitution dynamics of capital for labour and offshoring.

In my thesis, I propose to investigate the distributive effects of trade liberalization among different social groups as we studied in International Trade Theory and Policy focusing on open economy applications of extended canonical model of skills, tasks, and technologies introduced by Acemoglu and Autor (2011)[[1]](#footnote-1) in which various fascinating variables (can be) are included such as productivity growth, non-homothetic wage growth, offshoring etc. Furthermore, a possibility, or idea of, introducing labour mobility across countries to the model may enable us to study different effects under different PTA’s i.e., Existence of free movement of production factors.

Proper selection of countries, or states, will be a vital challenge since they will be depending on the requirements variables and country characteristics of model under examination. Though an empiric analysis on EU countries and, or USA states would be most likely to be selected due to data accessibility, quality, and availability concerns (i.e. [Population and housing censuses for EU, [American Community Survey (ACS)](https://www.census.gov/programs-surveys/acs) for US ).](https://ec.europa.eu/eurostat/web/population-demography/population-housing-censuses) The data to be analysed is expected to be in form of panel data which enables researcher to utilize different methods of econometrics literature, and enable PTA comparison by inclusion of proper control, and/or fixed affect variables.

Of course, the methodology and title might be adjusted in the course of the research.

1. Acemoglu, D., & Autor, D. (2011). *Handbook of Labor Economics* (Vol. 4) (p. 1044-1048). [↑](#footnote-ref-1)