## Contents

	face cnowle	dgements	ix xi
PA]	RT I	INTRODUCING THE IMMIGRANT-TRADE LINK	
1	Mig	ration, trade and globalization	3
	1.1	The channels through which immigrants increase trade flows	6
	1.2	The structure of this book	10
2	The link	gravity model and the literature on the immigrant-trade	16
	2.1	A brief introduction to the gravity model of international trade	17
	2.2	A sketch of the immigrant–trade nexus	19
PA	RT II	THE EFFECTS OF IMMIGRANTS ON INTERNATIONAL TRADE IN GOODS AND SERVICES	
3	Imm	igration policy, economic development and the	
		igrant–trade link: The case of the White Australia Policy	31
	3.1	Allowing for differences across home country	
	3.2	classifications: Augmenting the gravity specification	33
	3.2	trade link	37
	3.3	Variation across home country economic development	
		classifications	48
	3.4	Conclusions	55
	3.5	Appendix	56
4	8 r		
		igrants in Italy	58
	4.1	Identifying home country cohort-specific effects: the	
		estimation equation, data and variables	60

	4.2	Variation in immigrant–trade links across home country		
		cohorts	63	
	4.3	Conclusions	78	
	4.4	Appendix	78	
5	Beyond trade in goods: Immigrants and US exports of tourism			
	services			
	5.1	Findings from prior studies of tourism exports	81	
	5.2	The theoretical framework and derivation of the		
		empirical model	82	
	5.3	Immigrants and host country exports of services to their		
		home countries	88	
	5.4	Conclusions	96	
	5.5	Appendix	97	
PA	RT III	THE CULTURAL BRIDGING EFFECTS OF		
		IMMIGRANTS ON TRADE		
6	The trade-inhibiting effects of cultural differences: Evidence			
	from	nine OECD countries	101	
	6.1	Prior studies of the influence of cultural distance on		
		trade flows	103	
	6.2	Multiple host countries, cultural distance and trade:		
		Modifying the estimation equation	104	
	6.3	Immigrants, cultural distance and trade	112	
	6.4	Conclusions	129	
	6.5	Appendix	129	
7	Immigrants and the effects of cultural distance: An			
	exami	ination of aggregate US trade data	131	
	7.1	Measuring US-home country cultural distance:		
		Calculation and component dimensions	132	
	7.2	Decomposing the effects of cultural distance: Further		
		modifying the estimation equation	137	
	7.3	The pro-trade effects of immigrants as a counter to		
		cultural distance	139	
	7.4	Conclusions	145	
	7.5	Appendix	146	
8	Heterogeneity across immigrant groups: The effects of refugee			
	and n	and non-refugee immigrants on US trade		
	8.1	Entry classifications and expected variation in the		
		immigrant-trade link	149	
	8.2	Modeling potential variation across immigrant		

~	• •
Contents	V11

		construction	150
	8.3	Differences in the influences of refugees and non-	
		refugee immigrants on trade flows	153
	8.4	Conclusions	166
	8.5	Appendix	167
PA]	RT IV	THE OPERABILITY AND UNIVERSALITY OF THE IMMIGRANT-TRADE LINK	
9		ffects of immigrants on trade in cultural and non-cultural	
	_	s: Evidence from US state-level exports	173
	9.1	The rationale for a state-level analysis of the immigrant—	175
	9.2	export link	175
	9.2	Presentation of the empirical model, the data and variables	176
	9.3	Immigrants, cultural distance and US state-level exports	179
	9.3 9.4	Conclusions	190
10		metric information and trade-facilitating	170
10	infrastructure: Variation in the immigrant–trade link across		
		tion corridors	192
	10.1	Extending the empirical model to allow for corridor-	1,2
		specific immigrant effects	194
	10.2	Variation in the immigrant–trade link across	
		migration corridors	199
	10.3	Estimated trade-initiation and trade-intensification	
		effects	208
	10.4	Conclusions	211
	10.5	Appendix	212
11	Trans	saction costs and the immigrant–trade link: Does the	
	volun	ne of bilateral trade matter?	214
	11.1	Trade volumes, transaction costs and immigrants'	
		abilities to affect trade	214
	11.2	The SQREG technique: The theoretical intuition,	
		econometric specification and data	216
	11.3	The volume of trade and the dissipation of immigrant—	
		trade links	222
	11.4	Conclusions	239
12	Are tl	ne effects of immigrants (emigrants) on trade universal?	241
	12.1	The gravity model and non-parametric estimation of the	
		immigrant-trade relationship	243

viii		International migration and economic integration	
	12.2	Are the effects of immigrants (emigrants) on trade universal?	248
	12.3	The operability of immigrant (emigrant) effects on trade	260
	12.4	Conclusions	266
	12.5	Appendix	267
PART V		FINDINGS, IMPLICATIONS AND QUESTIONS	
		THAT REMAIN	
13	A summary of findings from the application of the		
	gravit	gravity model	
	13.1	The effects of immigrants on international trade in	272
	12.2	goods and services	273
	13.2	The trade-inhibiting effects of cultural distance and	256
		immigrants' ability to bridge cultural differences	276
	13.3	, ,	
		trade link	279
14	Lesso	Lessons learned and suggestions for future research	
	14.1	The lessons learned	283
	14.2	Suggestions for future research	285
Not	es		289
References			293
Index		307	