

Comments on:

Julio Guzman, IDB: “Trade and Poverty in Latin America: What Do We Know?”



Marcelo Lafleur, UN ECLAC: “First-Order Effects of Liberalization on Real Wages: Chile”

Daniel Lederman, World Bank: “Who Suffers the Burden of Adjustment? Returns to Schooling and Business Cycles in Latin America”

Oscar Landerretche
Universidad de Chile

THERE ACTUALLY SEEMS TO BE AN ARGUMENT HERE

Guzman

Lafleur

Lederman



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Asks ...

¿ Why is support for trade liberalization falling?

and answers, cos ...

The effects of trade liberalization (really of TLCs) has been heterogeneous in sectors and regions...

... maybe related to heterogeneous and high transport costs...

... falta hardware.

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Sez ...

Moreover, it seems pretty clear that it has been welfare improving for households in Chile...

... especially the poorest ...

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Bah Sez Lederman ...

...what you guys don't get is that its about risk...

... not (only) level...

... RTS has become more volatile ...

... cos it changes in the cycle...

...and the cylce is mainly imported from abroad
in open and specialized economies.

... education has become more risk, which is a
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RFC ... in the 90s

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I'm sympathetic to the preoccupation that inspires the question...

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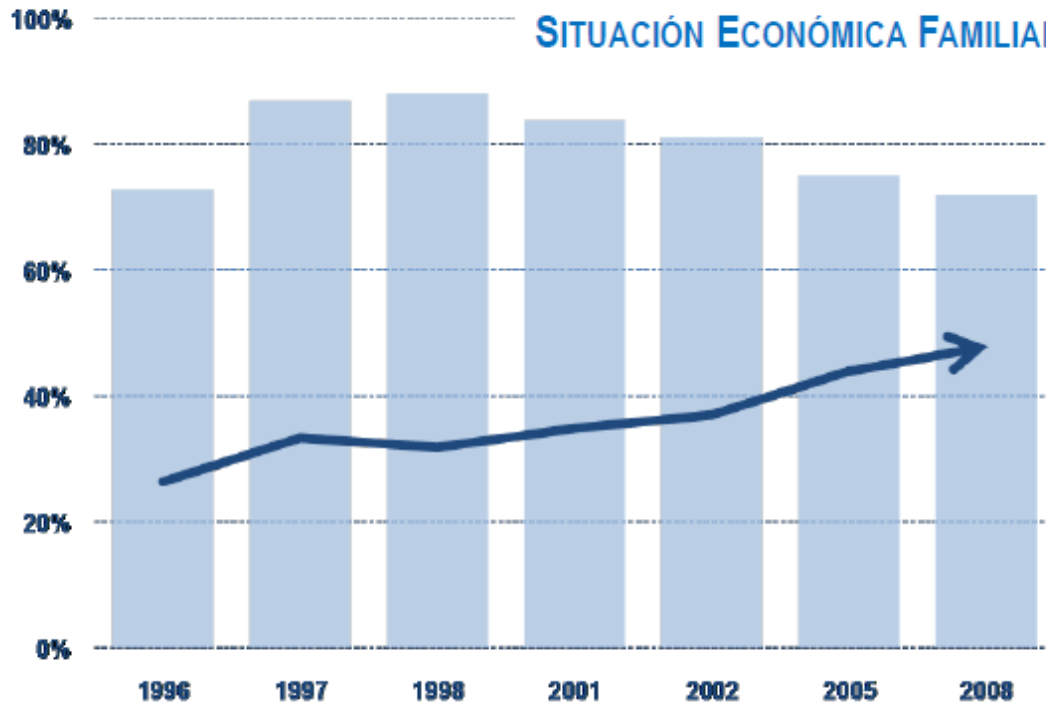
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LAC: POSTURA FRENTE A INTEGRACIÓN
ECONÓMICA Vs. EXPECTATIVAS EN
SITUACIÓN ECONÓMICA FAMILIAR



heterogeneous

% Población a Favor de Integración Económica de LAC

% Población con Expectativas Optimistas sobre Situación Económica Familiar

S...

1

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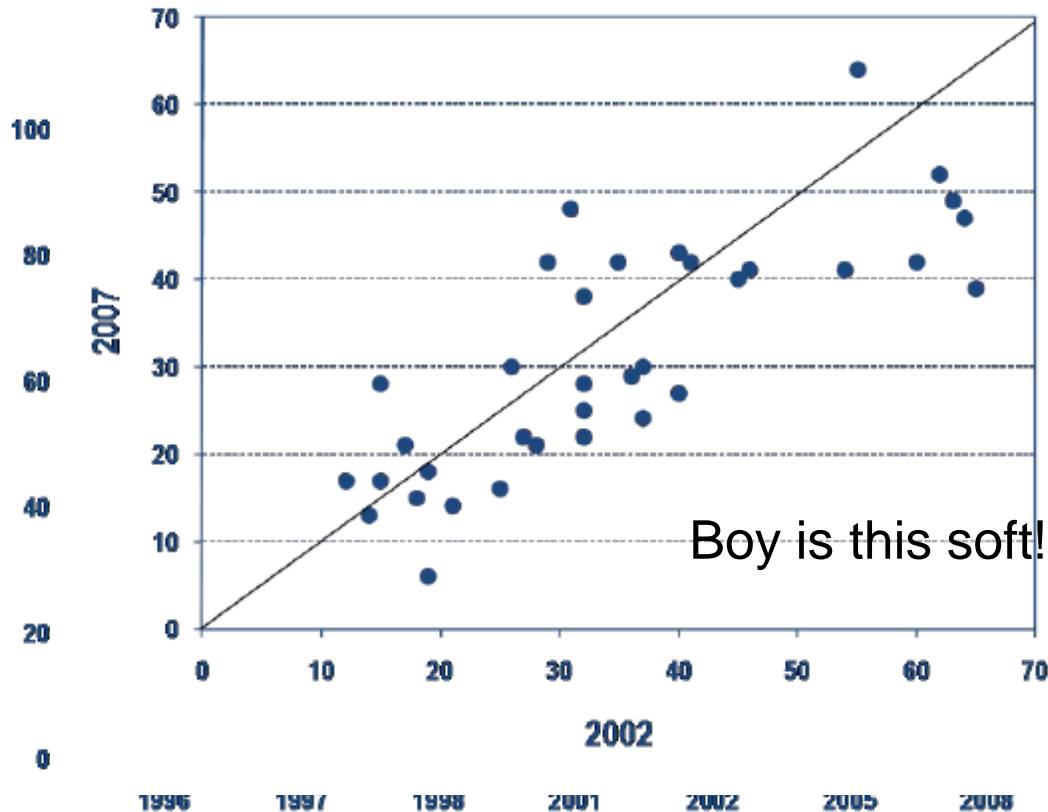
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POSTURA MUNDIAL FRENTE A INTEGRACION ECONOMICA (% Población a Favor)



Boy is this soft!

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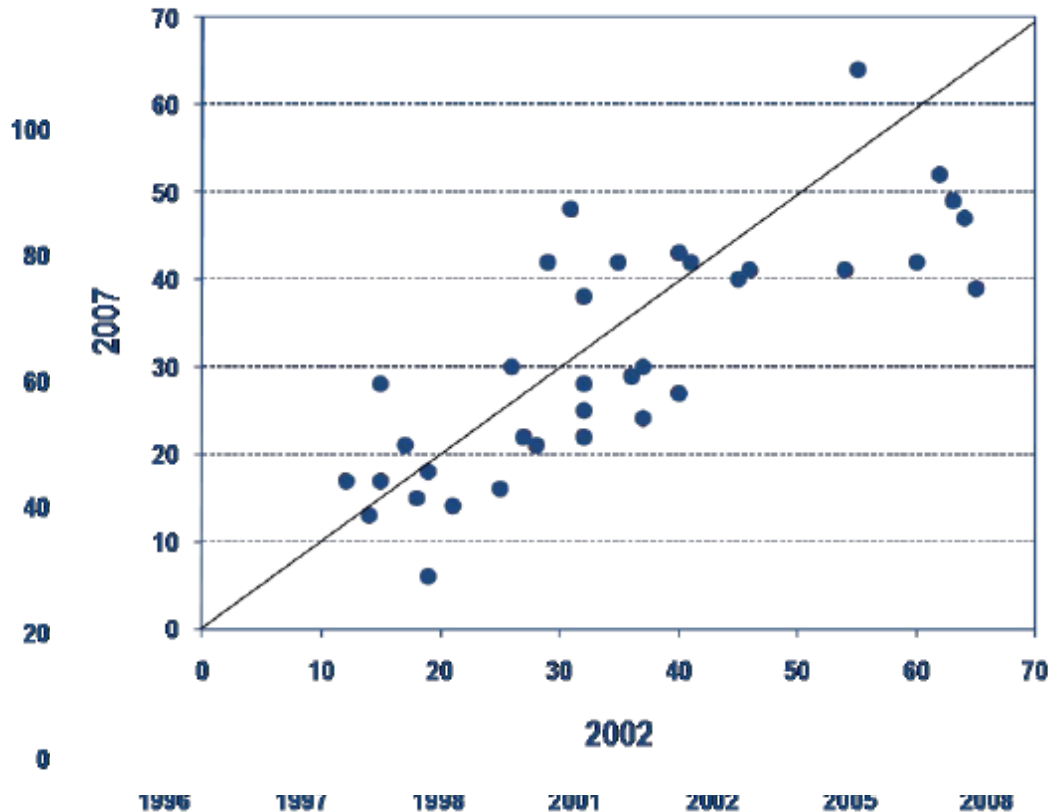
Laf

..but I'm not sure it is supported by the data.

Asks ...

... so if we are actually worried about this maybe we should get better data.

POSTURA MUNDIAL FRENTE A INTEGRACION ECONOMICA DE LAC (% Población a Favor)



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TLC Estados Unidos
Unidos
EEUU-LAC9

Sectores

TLC Unión Europea
UE-LAC14

' HERE

aderman



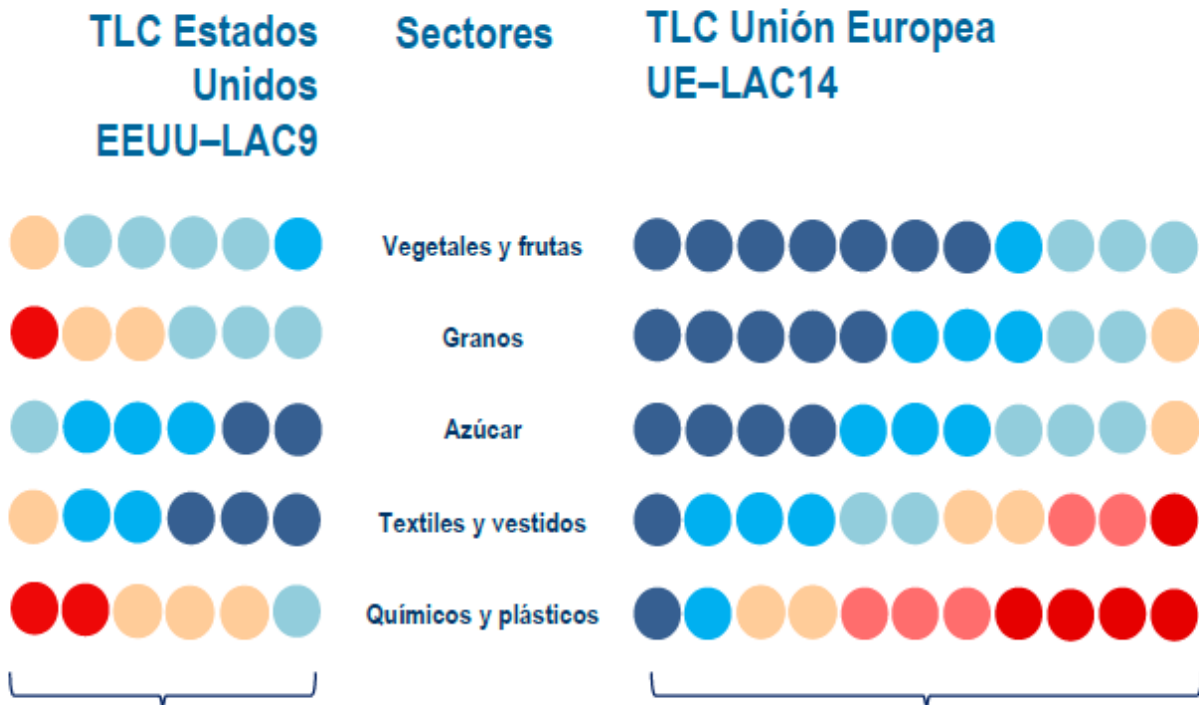
Heterogeneous results are not a demonstration of bad net effect.

been heterogeneous

There are supposed to be winners and loser (regions and sectors)... but a social distribution system that helps the losing individuals to get back on their feet.

port costs...





HERE
 →
 Ederman

Heterogeneous results are not a demonstration of bad net effect.

There are supposed to be winners and loser (regions and sectors)... but a social distribution system that helps the losing individuals to get back on their feet.

been heterogeneous

port costs...



Maybe that's what is failing around here.

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THERE A

¿Are we seriously thinking that we can keep this going on infrastructure?

Guzman

I'm all for infrastructure, sure, but...

Asks ...

... ¿what about inequality, mobility meritocracy, competition, innovation, new entrepreneurship, all that stuff?...

¿Why is s

¿Riding the commodity bubble are we not?

and answ

The effects of trade liberalization (really of TLCs) has been heterogeneous in sectors and regions...

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I liked the paper.

One would be tempted to claim a paradox with previous presentation...

... but there is no paradox, for the costs of liberalization are not being estimated ...

...¿what period? Are they talking about liberalization or bilateral trade agreements, its different...

... estimations ate for an already (very) open country, very specialized, with no local market.

AN ARGUMENT HERE

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But in creative destruction, both parts are important...

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... which would be reflected, for example, in volatility of wages...

... volatility of income and...

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**t seen
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It can be done...

...its hard for this period.

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Moreover, it seems pretty clear that it has been welfare improving for households in Chile...

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2

THERE ACTU

Also...

ERE

Guzman

¿What is the counterfactual?

rman

It can't be that prices do not fall...

... maybe we are being to benevolent.

This is scary if some results are small.

that it has been
ds in Chile...

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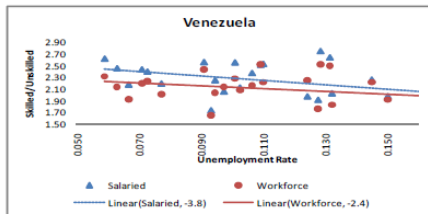
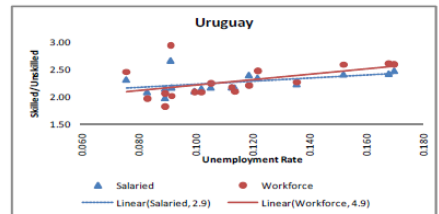
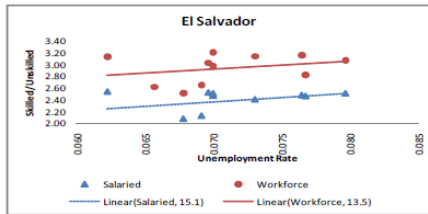
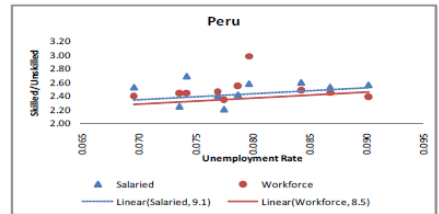
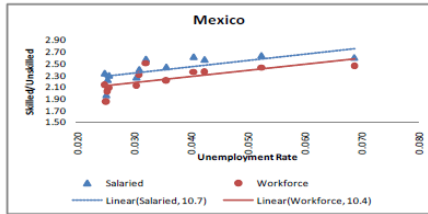
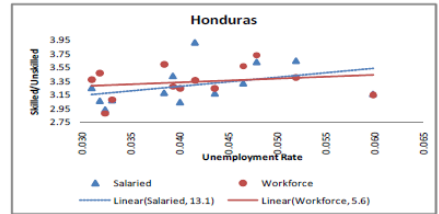
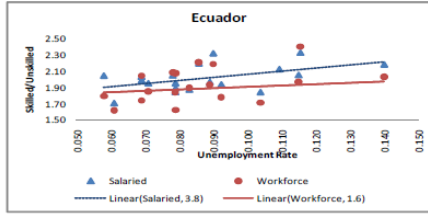
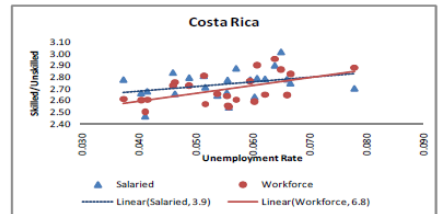
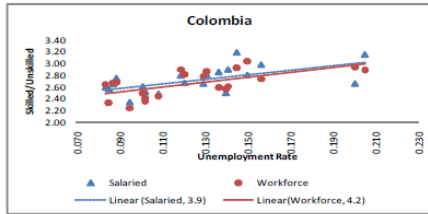
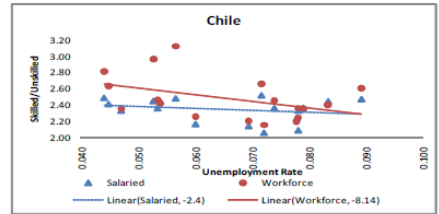
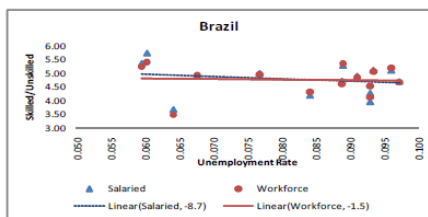
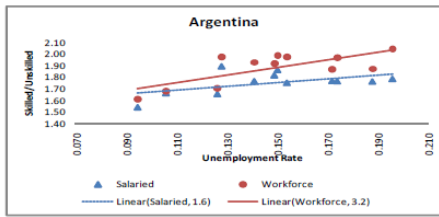
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is that its about risk...

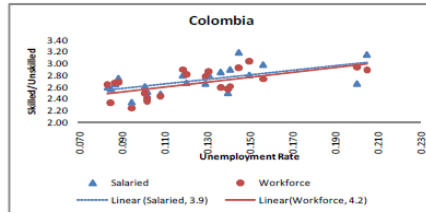
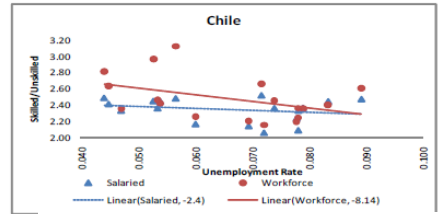
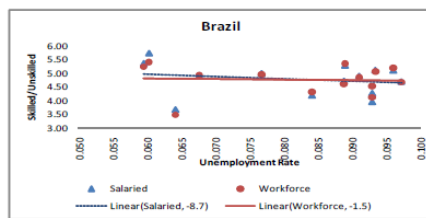
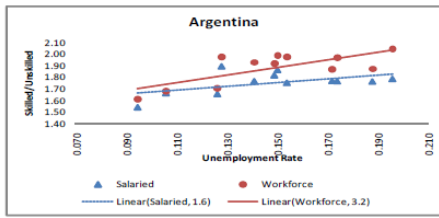
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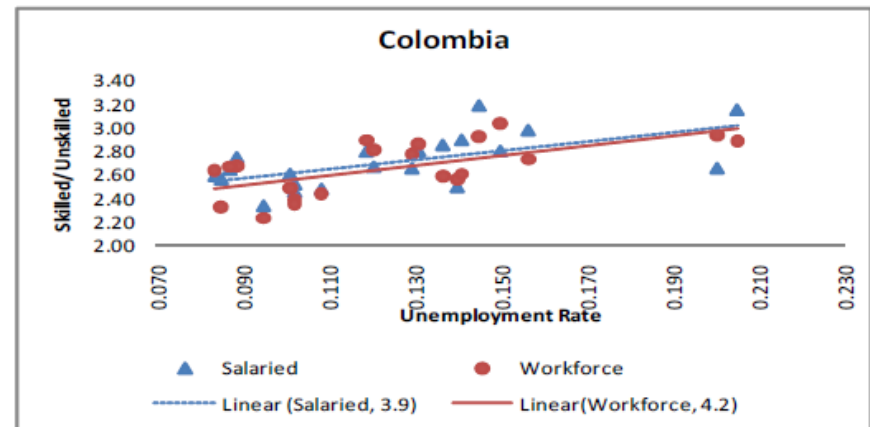
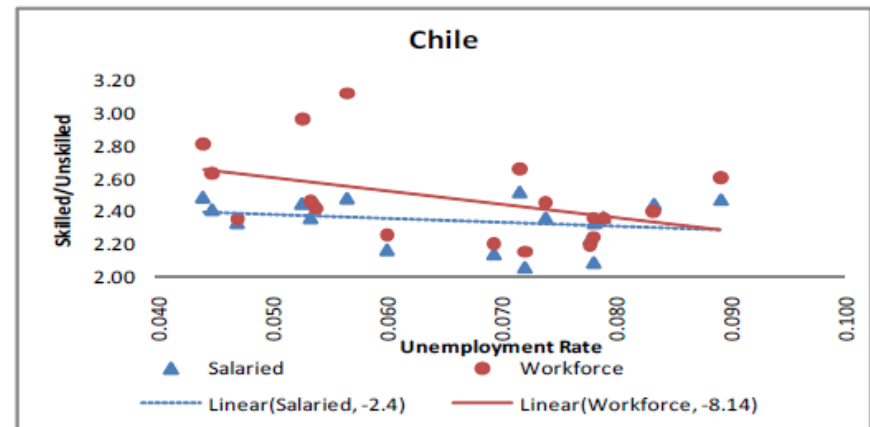
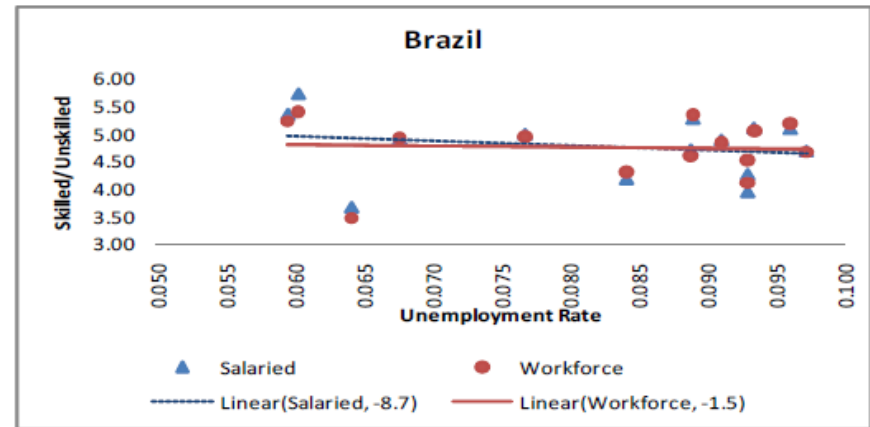
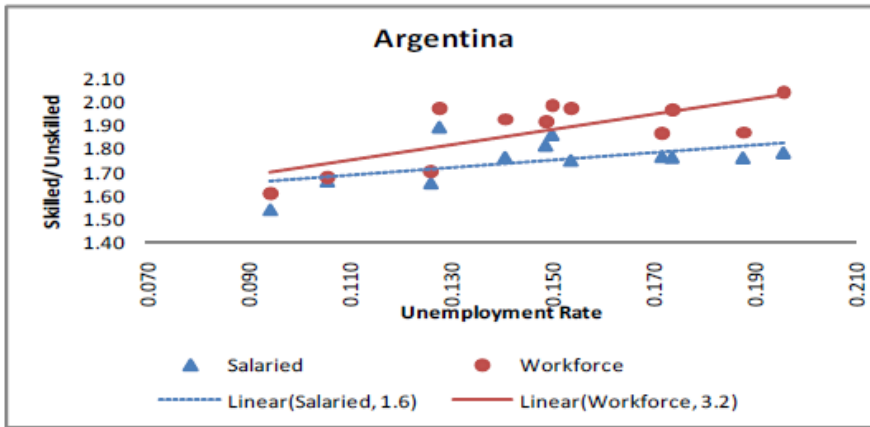
more risk, which is a





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I lean your way but having Brazil, Chile and Venezuela as exceptions is not a small thing.



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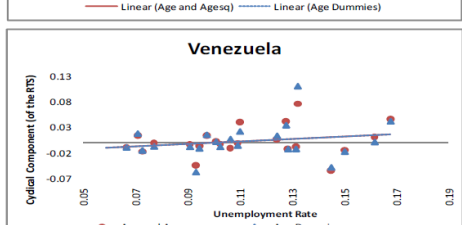
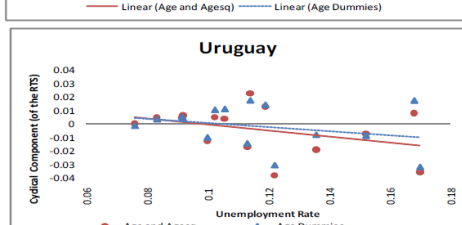
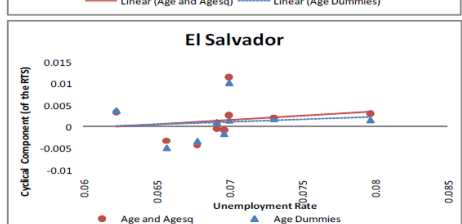
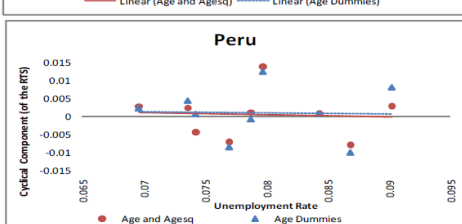
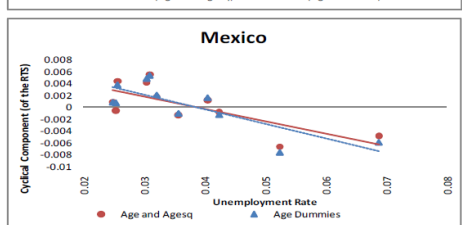
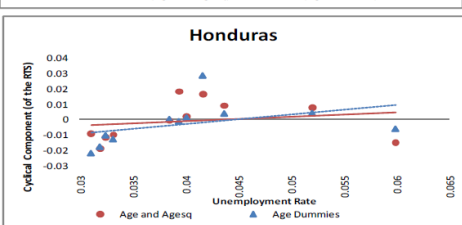
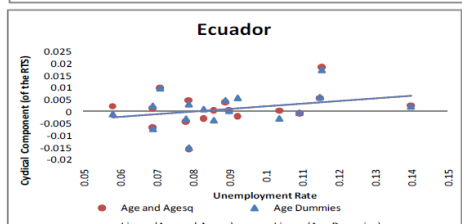
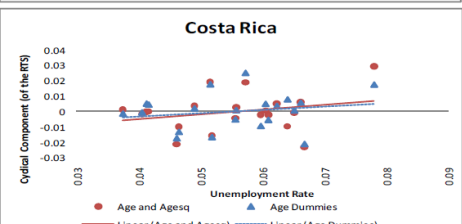
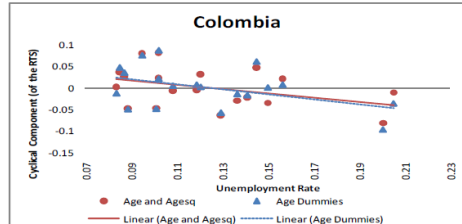
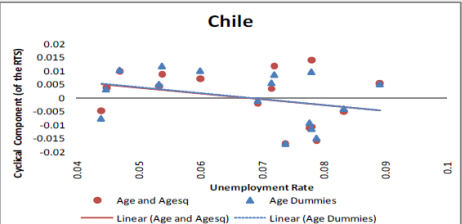
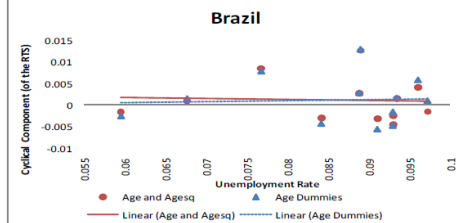
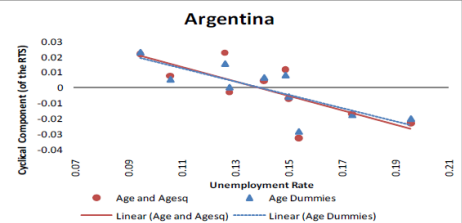
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These results are pretty cool...

... but maybe to heterogeneous.

It is that its about risk...

more volatile ...

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imported from abroad economies.

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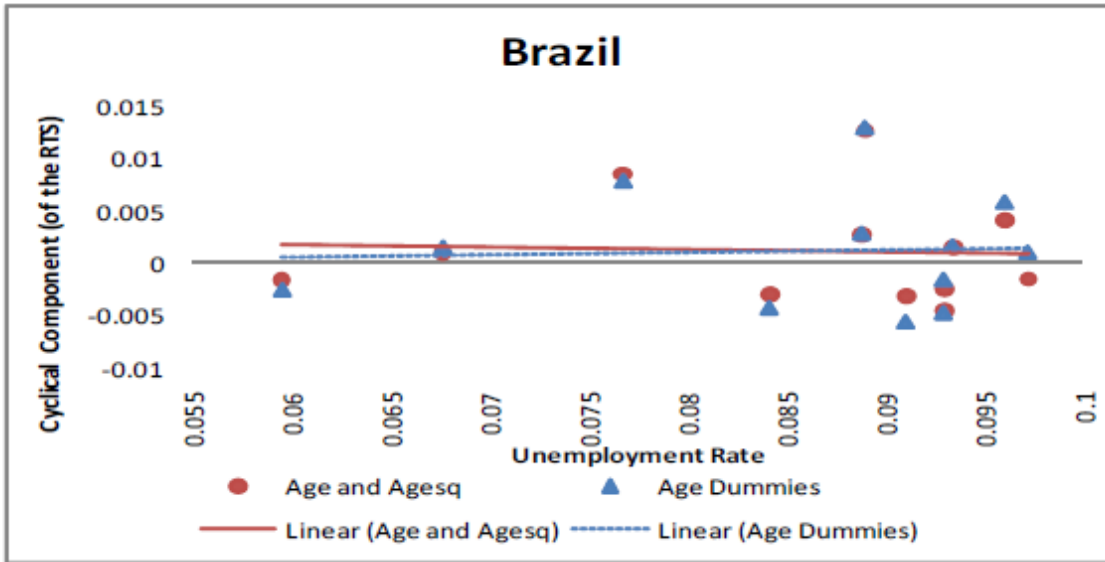
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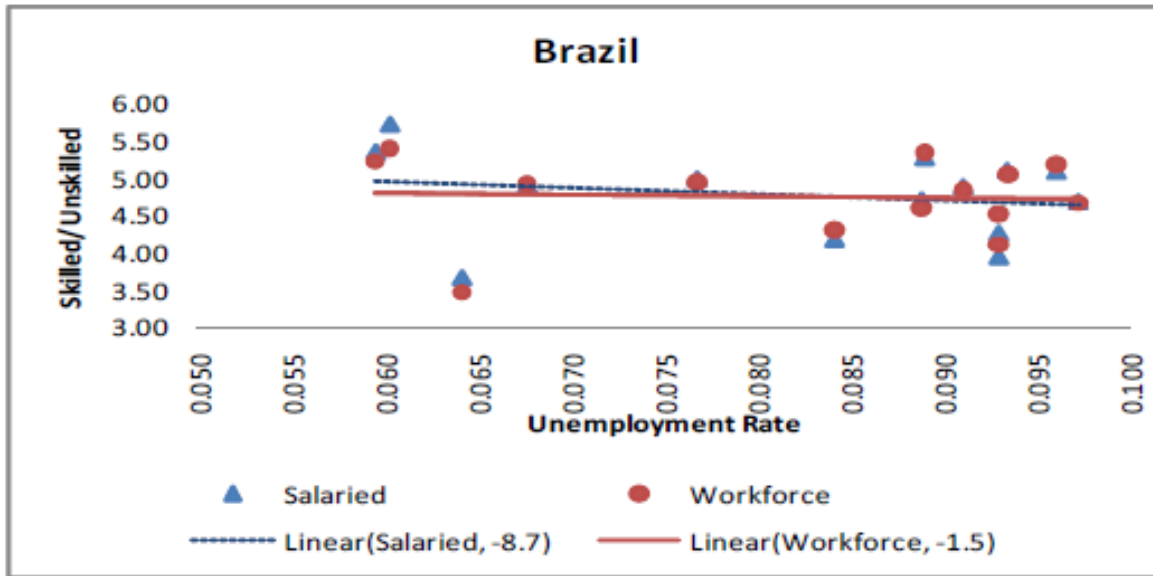
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Maybe this is not such a big surprise...



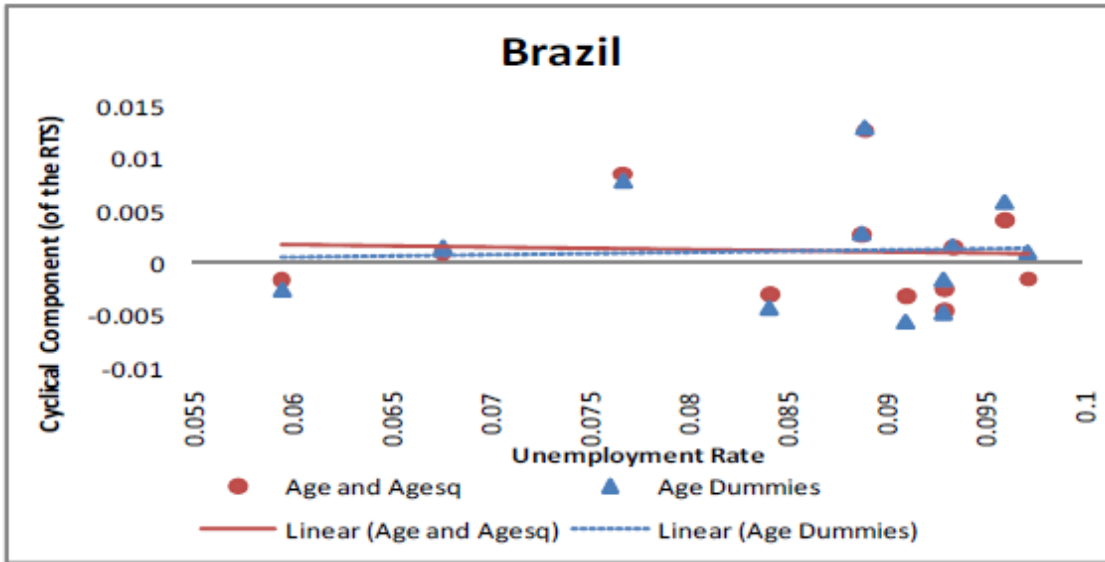
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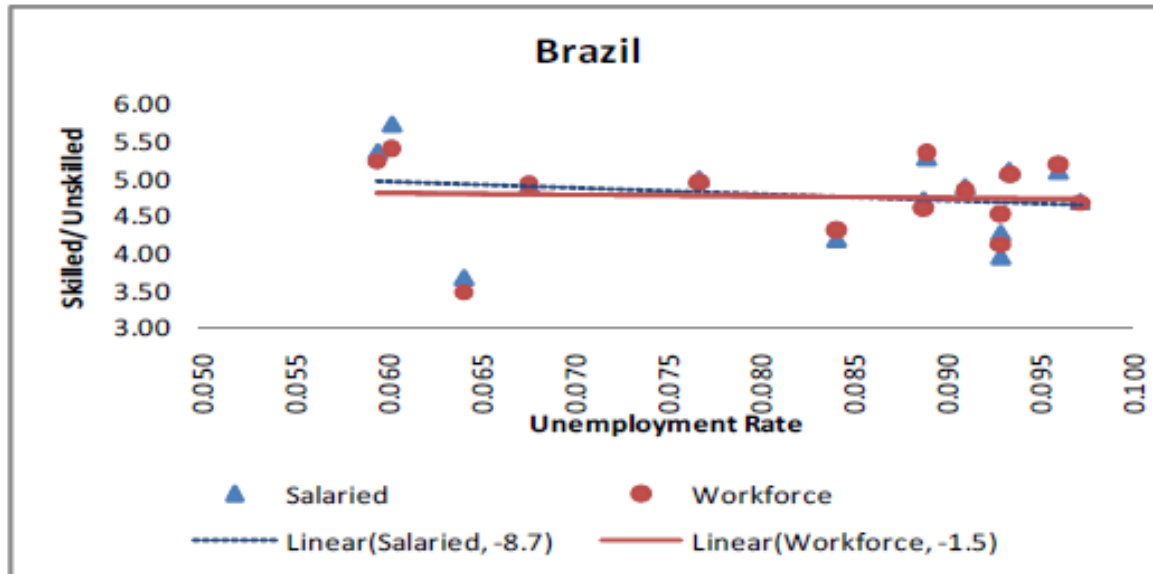
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...so, ¿why not control for degree of openness? ...



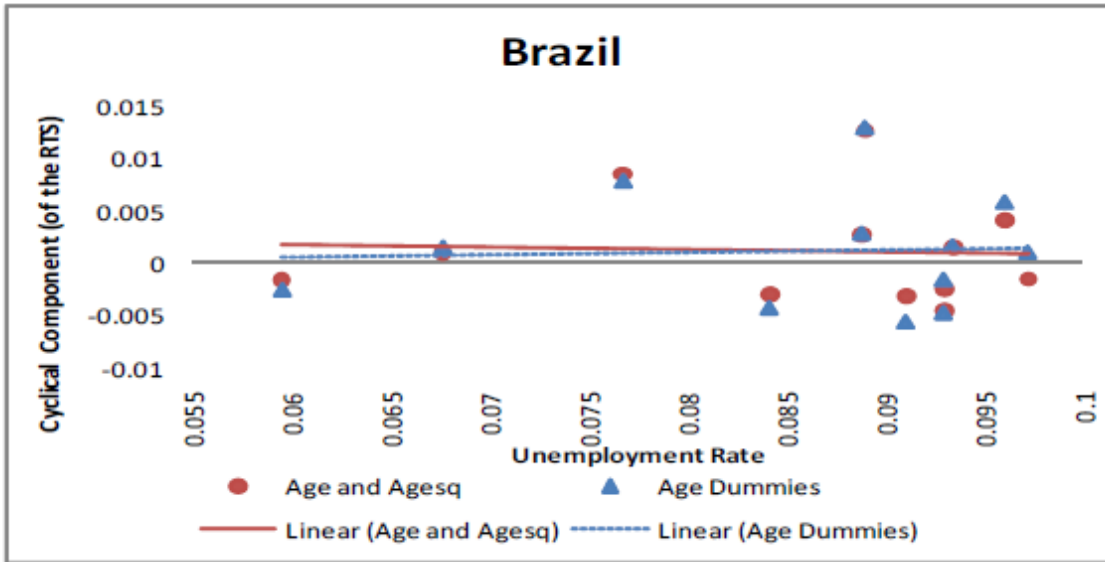
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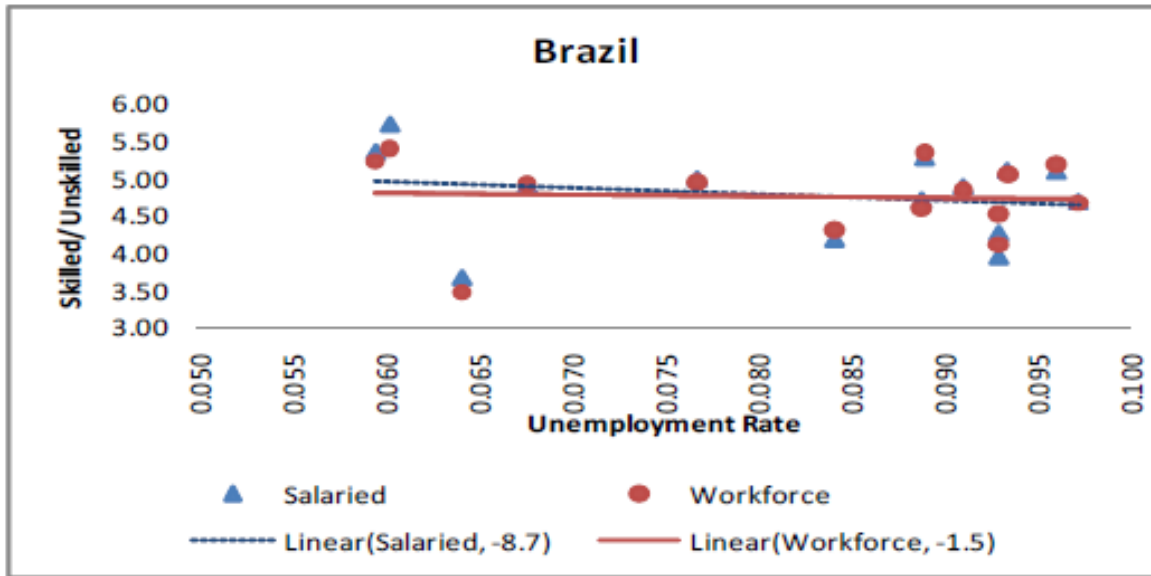


Lederman

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...so, why not control for degree of openness? ...

...and industrial structure?



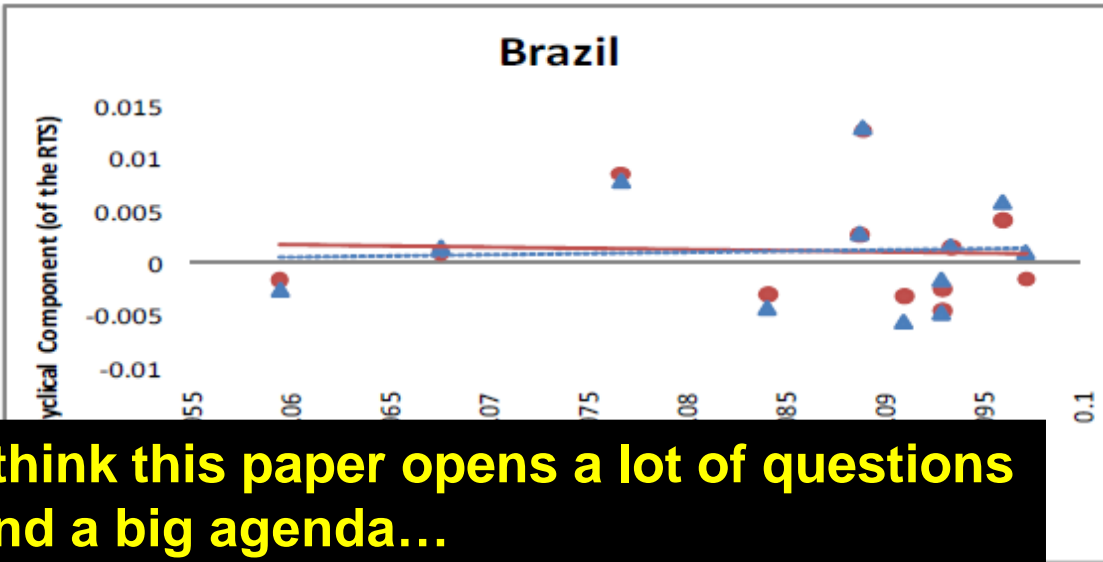
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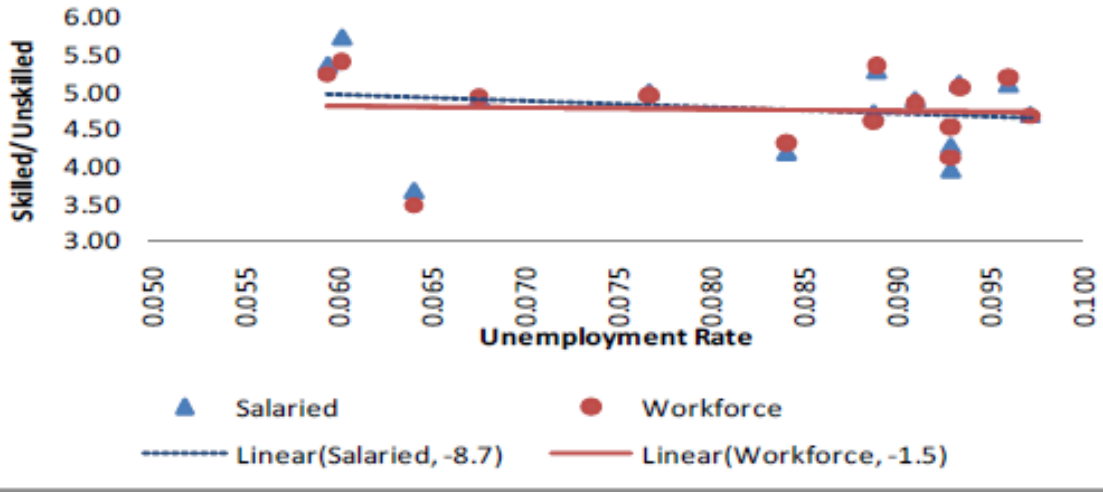
Lederman

I think this paper opens a lot of questions and a big agenda...
... which is great.

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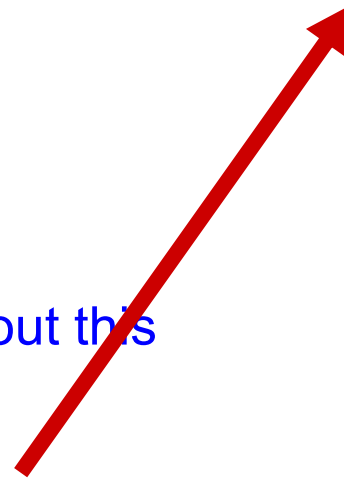
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...I sort of think these guys could look at risk-ish variables...

... but would have to change period.



It was fun
Thanks!