

**Title: Trade Shocks and the Changing Economic Geography of the US.**

**Speaker: Prof. Priyam Verma, Ashoka University**

**Area: Economics**

**Date: 09.10.2024, Venue: P22 @ 3PM**

**Abstract:**

What are the general equilibrium effects of a trade shock in a local labor market? Can domestic spatial linkages insure against employment losses from increased foreign competition? In this paper, we take a market access approach for estimating the indirect spatial effects. Using US data on transportation networks, trade flows, and input-output tables, we estimate the strength of domestic trade and production linkages and use it to build a new measure of market access for 722 US commuting zones in 22 sectors before and after China's entry into WTO. Constructing a model-based instrument for market access we find that after China's entry, US labor markets witnessed strong employment gains through both input-output linkages and weakened spatial competition. These gains compensated for manufacturing employment losses from the direct effect of the China shock.

**Speaker Profile:**



Priyam Verma is an Assistant Professor at Ashoka University. Priyam is a trade economist. He completed his Ph.D. in Economics from the University of Houston and Postdoctoral research at Aix-Marseille School of Economics. Here is the link to his [CV](#). His interests span international, spatial, and macro-economics. In his research, he studies spatial outcomes and optimal regional policies through the lens of quantitative trade models. He focuses on highlighting synergies between investments and trade policies to optimize regional gains from trade

Webpage Link: <https://sites.google.com/view/priyamverma/home>