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Nota di contenuto	Cover Page -- Title Page -- Copyright Page -- Contents -- I Introduction -- II Trade Elasticities: Practice ahead of Theory -- A Practice -- B Theory -- 1 No Firm Entry -- 2 Allowing for Firm Entry -- 3 The Price Elasticity of Imports -- III Identification -- A Microeconomic Estimates -- B Homogeneous Estimates -- C Data -- IV Results and Relevance -- A Microeconomic Results -- 1 Microeconomic estimates of the elasticity of substitution -- B Macroeconomic Results -- 1 Estimation with common correlated effects -- C Relevance -- 2 The J-curve in a two-sector BKK model -- D Stability -- 2 Variants on the weights -- 3 Estimation without common correlated effects -- V Conclusion -- A Aggregation and Homogeneity -- B Heterogeneous Supply -- C The Price Elasticity of Imports -- D Derivation of the Supply Curve -- E Estimated Variances -- F A Two-Sector Version of BKK -- F. 1 Benchmark Parameter Values taken from BKK (1994) -- References -- Footnotes.
Sommario/riassunto	In most macroeconomic models, the substitutability between domestic and foreign goods is calibrated using aggregated data. This imposes homogeneous elasticities across goods, and the calibration is only valid under this assumption. If elasticities are heterogeneous, the aggregate substitutability is a weighted average of good-specific elasticities, which in general cannot be inferred from aggregated data. We identify structurally the substitutability in US goods using multilateral trade data. We impose homogeneity, and find an aggregate elasticity similar in value to conventional macroeconomic estimates. It is more than twice larger with sectoral heterogeneity. We discuss the implications in various areas of international economics.