

The International Trade Journal >

Volume 19, 2005 - [Issue 2](#)

905 | 80 | 3
Views | CrossRef citations to date | Altmetric

Original Articles

INCOME AND PRICE ELASTICITIES OF TRADE: Some New Estimates

Mohsen Bahmani-Oskooee & Orhan Kara

Pages 165-178 | Published online: 18 Aug 2006

 Cite this article  <https://doi.org/10.1080/08853900590933125>

Sample our
Economics, Finance,
Business & Industry Journals
>> [Sign in here](#) to start your access
to the latest two volumes for 14 days

 Full Article

 Figures & data

 References

 Citations

 Metrics

 Reprints & Permissions

Read this article

 Share

Abstract

With introduction of new estimation techniques, old theories receive a renewed attention and on this regard, trade elasticities are no exception. In this paper we employ a new cointegration technique, i.e., ARDL approach to cointegration that does not require pre-testing for unit root and estimate income and price elasticities of import and export demand for 28 countries. The results indicate that price elasticities in most instances are high enough to conclude that real depreciation could improve the trade balance.

[< Previous article](#)

[View issue table of contents](#)

[Next article >](#)

Notes

Critical values: When only an intercept is included, the lower and upper bound critical values at 90% significance level are 2.425 and 3.574. The comparable figures when a constant and a trend are included are 3.063 and 4.08.

^A Indicates cases in which both an intercept and a trend are included in the ARDL model.

¹Note that we included a constant and a trend in both models. Whenever the trend was insignificant, it was excluded.

²The full information estimates of each model is available from the authors upon request.

³The exceptions are South Korea and Turkey for which data end in 1997III.

Related research

People also read

Recommended articles

Cited by
80

Information for

[Authors](#)

[R&D professionals](#)

[Editors](#)

[Librarians](#)

[Societies](#)

Opportunities

[Reprints and e-prints](#)

[Advertising solutions](#)

[Accelerated publication](#)

[Corporate access solutions](#)

Open access

[Overview](#)

[Open journals](#)

[Open Select](#)

[Dove Medical Press](#)

[F1000Research](#)

Help and information

[Help and contact](#)

[Newsroom](#)

[All journals](#)

[Books](#)

Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2026 Informa UK Limited [Privacy policy](#)

[Cookies](#) [Terms & conditions](#) [Accessibility](#)

Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG



Taylor & Francis
by informa