

**Income inequality and international trade:
short and long-run evidence and the specific case of the tourism services[◊]**

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Abstract: *The paper analyzes the relationship between international trade and inequality. We take into account the specific case of services and notably tourism services. We distinguish short and long-run relationships by using a sample which covers 9 countries over the 1967-1999 periods. For the first estimation, we estimate a dynamic panel data model and for the second, we use the cointegration data panel method. We had decomposing trade in services into three categories (tourism, transport and other commercial services) which permits to uncover different impacts of trade on inequality. We first establish the existence of a short-run and a long-run relationship between openness and inequality. We also find that international trade in tourism services has a negative impact in inequality. Finally we observe that the effect of openness varies by country.*

Key words: International Trade; Income inequality; Services; Dynamic panel data model; Cointegration.

JEL Classification: C23, F10, D31, L83

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