

Factor Proportions and Hecksher-Ohlin Models	Relatively <i>Labor</i>-Abundant Country	Relatively <i>Land</i>-Abundant Country
Comparative Advantage, or Exports	Relatively <i>labor</i> -intensive good	Relatively <i>land</i> -intensive good
<i>Labor</i> Endowment Increases	Output of the relatively <i>labor</i> -intensive good rises, and output of the relatively <i>land</i> -intensive good falls	
<i>Land</i> Endowment Increases	Output of the relatively <i>land</i> -intensive good rises, and output of the relatively <i>labor</i> -intensive good falls	
Who Gains? Rel. abundant factor	Workers (and country)	Landowners (and country)
Who Loses? Rel. scarce factor	Landowners	Workers
Relative Price of <i>Labor</i> -Intensive Good Increases	<i>Wage</i> rises and <i>rent</i> falls by more than price of goods (workers gain while landowners lose)	
Relative Price of <i>Land</i> -Intensive Good Increases	<i>Rent</i> rises and <i>wage</i> falls by more than price of goods (landowners gain while workers lose)	
Free Trade Factor Prices	Wages equal and rents equal across the two countries (provided relative factor endowments close enough that both countries produce both goods)	