

Comments on:

Distance, Production, Trade and Growth—A Note

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I think the topic covered in this note –the relationship between virtual trade and physical distance- is relevant and worth to examine. Since there are several papers that already covered this topic, I suggest the author to make an effort to distinguish this contribution from the existent literature. In particular, the reader should already know in the introduction what the note is about.

My main suggestions are:

1. I suggest to slightly change the title to give a clearer idea of the content of the paper: **Virtual** distance, production....(or specify that the paper refers mainly to services or virtual trade)
2. In page 3: “But my focus in this note is on the relationship between virtual trade and distance. This part is relatively less explored.”

I suggest explaining whether the paper contributes to the theory explaining the relationship and specify the main departure from the existent papers.

3. Section II: Same issue as before, the section starts with: Drawing from Kikuchi and Marjit (2011) I consider a Cobb-Douglas production function for service output....

By reading the section it remains unclear what is new in this paper and what is taken from Kikuchi and Marjti (2011). This needs further clarification.

4. In section 3, footnote 3: This is done in Kikuchi (2009) but in a different structure. My question is: if this has been done before with a different structure, explain the reason why it should be better (if so) to do it as you indicate. And what was this “different Structure”?= explain it.

Minor remarks:

1. In page He showed that under a reasonable condition outsourcing is profitable than communication autarky;

-You mean: is "more" profitable

2. In page 7: In this note I have constructed a model using Cobb-Douglas production function function...

You mean: "a" Cobb-Douglas production function?

3. References: Chakrabarti, A., (2204), "

I suppose 2004?