

**Extensive margin in international trade: empirical analysis for Visegrad countries**

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This paper deals with empirical analysis of international trade between Visegrad countries and EU-15 during the past two decades. The goal of the paper is to find out if the growth in export is of intensive or extensive type. We follow methodology of Kehoe and Ruhl (2002) and use detailed trade statistics on the value of trade flows by commodity according to Standard International Trade Classification (SITC) codes. We find out that the goods that were traded the least in the benchmark year account for disproportionate share in trade after liberalization and reduction of trade barriers. The most significant increase was found in Hungary. The set of goods which accounted for only ten percent of trade in 1993 accounts for about forty percent of trade following the liberalization. Similar patterns were identified also in other Visegrad countries. The countries thus began to export goods that they had not been previously trading. This is growth on the extensive margin and it should be reflected in models of international trade.

*Keywords:* international trade, trade barriers, liberalization, export growth, intensive and extensive margin, Visegrad countries