

International Economics - MA of Applied Economics

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The course *International Economics* is designed for students who are interested in the international dimensions of economic activities. Important topics are the structure and volume of trade flows between countries. The course will also deal with international trade- and investment policy, multilateral agreements (WTO) and the links between international trade and traditionally domestic policies such as environmental standards.

Organization

There will be a lecture with weekly sessions every Monday. In the pro-seminar, students are required to work on a small project which has to be summarized in a seminar paper (guidelines are given below) and has to be presented in class. All parts of the course are in English. For econometric applications the software tool STATA is used.

Course prerequisites

Students should have a basic knowledge of microeconomics and econometrics.

Grading

At the end of the course, there will be a final exam which includes all topics covered in the course (lecture and proseminar). Details on the exam will be given in the lecture. The final grade is a weighted average of the evaluations in the final exam and the seminar based on the credits of the lecture (6 ECTS) and seminar (4 ECTS). The grade for the proseminar part is based on the seminar paper and on its presentation.

Basic Literature

Feenstra, R. (2004): *Advanced International Trade*, Princeton University Press, Princeton and Oxford.

Copeland, B.R. and Taylor, M.S. (2003): *Trade and the Environment. Theory and Evidence*, Princeton University Press, Princeton and Oxford.

Time and Location:

Lecture: Monday, 1.30-5.00 pm, starting on October 5th, 2015, SR 4.

Proseminar (blocked): Monday, January 11th, 18th and 25th, 2016, 1.30-5.00 pm, SR 4.

Midterm exam: Monday, November 16th, 2015, 1.30-2.00 pm.

Final exam: Monday, February 1st, 2016, 1.30-2.00 pm.

Additional material and references . . .

. . . (slides, papers) will be provided on OLAT.

Topics – Lecture

1. Ricardian-Model
2. The Heckscher-Ohlin-Model
3. Inter- and intra-industry trade
4. Gains from trade and regional trade agreements
5. Import tariffs and dumping
6. Import quotas and export subsidies
7. Political economy of trade policy
8. Trade and Environment

Guidelines for the seminar paper

- Groups of two are possible and welcome.
- Length of paper: 5,000 words (+/- 10%); excluding list of contents, list of figures, references.
- Your paper should have
 - a clear structure (sections),
 - an introduction with a convincing motivation,
 - a conclusion that emphasizes the value added of your work and the work you surveyed.
- Look for additional literature (econlit).
- See us for discussing your proposal.
- The paper is due by Friday, January 8th, 2016.
- The presentation of the paper should last about 20 minutes.