

Syllabus

## **International Trade Theory and Policy**

Michael Pfaffermayr,

Elisabeth Christen, Andrea Leiter-Scheiring, Andrea Weiß

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This course provides an introduction to international economics, concentrating on trade theory and policy. In the lecture we will discuss the main theoretical approaches that explain the structure and volume of trade as well as important issues in trade policy. The proseminars deal with additional topics like the relationship between trade and environment or trade and infrastructure.

## Programme – Lecture

Michael Pfaffermayr

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The first lecture starts on March 9, 2015, 8:00, HS 3.

We will use the book by

van Marrewijk, Ch. (2012): International Economics - Theory, Application, and Policy. Oxford University Press. Second edition.

Additional material (slides) will be provided in the e-campus. There is also a web-site for the book (see <http://global.oup.com/uk/orc/busecon/economics/vanmarrewijk2e/>).

At the end of the course, there will be a final exam. This will include all topics covered in the course (lecture + proseminar). Details on this exam will be given in the lecture and seminar sessions.

For students in the Bachelor programme and students of International Economics and Business Studies (IWW) the final grade is a weighted average of the evaluations in the final exam **and** the seminar based on the credits of the lecture and the seminar. Students of Law and Economics will have an exam on the material covered in the lecture.

# Programme – Seminar

Group 1 – LV-Nr. 432046

Elisabeth Christen

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<b>Day</b>	<b>Date</b>	<b>Time</b>	<b>Room</b>	<b>Subject</b>
Fr	March 13	08.00-10.45	SR 9	Introduction & Tutorial
Fr	April 17	12.00-15.45	SR 9	Module 1
Fr	April 24	08.00-11.45	SR 9	Module 2
Fr	May 8	08.00-12.45	SR 9	Module 3 and 1st test
Fr	May 22	08.00-11.45	SR 9	Module 4
Wed	June 3	09.00-09.45	SR 9	2nd test

## Tests - LV-Nr. 432046 (Group 1)

May 8: 1st test, covering the topics of Module 1 and Module 2

June 3: 2nd test, covering the topics of Module 3 and Module 4

## Programme – Seminar

Group 2 – LV-Nr. 432047

<b>Day</b>	<b>Date</b>	<b>Time</b>	<b>Room</b>	<b>Subject</b>
Fr	March 13	11.00-13.45	SR 9	Introduction & Tutorial
Fr	April 17	16.00-19.45	SR 9	Module 1
Fr	April 24	13.00-16.45	SR 9	Module 2
Fr	May 8	13.00-17.45	SR 9	Module 3 and 1st test
Fr	May 22	13.00-16.45	SR 9	Module 4
Wed	June 3	10.00-10.45	SR 9	2nd test

### Tests - LV-Nr. 432047 (Group 2)

May 8: 1st test, covering the topics of Module 1 and Module 2

June 3: 2nd test, covering the topics of Module 3 and Module 4

## **How to “get through”**

Determinants of grade:

- Two thirds according to tests
- One third according to presentation

## **Necessary conditions:**

1. Read the base texts in advance and take part in the discussion.
2. Pass the short tests (it is necessary to get at least 50 % of the total points to pass the PS).
3. Present your chosen topic (it is necessary to give an acceptable presentation to pass the PS).
4. Presence

## **Some additional information:**

To 1.:

- On each bloc day two topics will be presented and worked on.
- The texts will be available online (PDF) on OLAT at ‘course documents’.

To 2.:

- Each test takes approx. 30 minutes.
- Each test contains 6 questions.
- The answer to each question is worth up to 2 points.
- All in all there are 24 points achievable, from 12 on you are graded positively.

To 3.:

- You may form groups of four to present a particular topic (length of presentation: 60 minutes).
- The use of additional literature is appreciated.
- Send the presentation until Friday one week before the topic has to be presented via e-mail to [andrea.leiter-scheiring@uibk.ac.at](mailto:andrea.leiter-scheiring@uibk.ac.at) concerning the first module, to [andrea.weiss@uibk.ac.at](mailto:andrea.weiss@uibk.ac.at) concerning the 2<sup>nd</sup> and 3<sup>rd</sup> module and to [elisabeth.christen@uibk.ac.at](mailto:elisabeth.christen@uibk.ac.at) concerning the 4<sup>th</sup> module. The presentation slides will be considered in the grade.
- We reserve the right to choose WHO is going to present WHICH part and will inform you about this decision about 48 hours before the seminar starts.
- 12 points are achievable at the most, 6 points are necessary to be graded positively.

To 4.:

- You may miss one of the modules but have to apologize in advance, if you are not able to participate in a session.
- The tutorial is not compulsory.

## Topics and Literature

Group & Date	Topic	Literature
Lv.-Nr. 432046: April 17 Lv.-Nr. 432047: April 17	Firm-level Trade patterns	Breinlich, H. and Criscuolo, C. (2011). ‘International trade in services: A portrait of importers and exporters’, <i>Journal of International Economics</i> <b>84</b> , 188–206. Lawless, M. (2010). ‘Geography and firm exports: new evidence on the nature of sunk costs’, <i>Review of World Economics</i> <b>146</b> , 691–707.
Lv.-Nr. 432046: April 24 Lv.-Nr. 432047: April 24	Trade & Environment	Aichele, R. and Felbermayr, G. (2013). ‘Estimating the Effects of Kyoto on Bilateral Trade Flows Using Matching Econometrics’, <i>World Economy</i> <b>36</b> , 303–330. Kellenberg, D. (2012). ‘Trading wastes’, <i>Journal of Environmental Economics and Management</i> , <b>64</b> , 68–87. Jacks, D.S., Meissner, C.M. and Novy, D. (2011). ‘Trade booms, trade busts, and trade costs’, <i>Journal of International Economics</i> <b>83</b> , 185–201.
Lv.-Nr. 432046: May 8 Lv.-Nr. 432047: May 8	Trade Costs	Novy, D. (2013). ‘Gravity Redux: Measuring International Trade Costs with Panel Data’, <i>Economic Inquiry</i> <b>51</b> , 101–121.
Lv.-Nr. 432046: May 22 Lv.-Nr. 432047: May 22	Distance Puzzle	Brun, J.-F., Carrère, C., Guillaumont, P. and de Melo, J. (2005). ‘Has Distance Died? Evidence from a Panel Gravity Model’, <i>The World Bank Economic Review</i> <b>19</b> , 99–120. Carrère, C., de Melo, J. and Wilson, J. (2013). ‘The Distance Puzzle and low-income countries: an update’, <i>Journal of Economic Surveys</i> <b>27</b> , 717–742.