

## **ECO-961 Advanced Topics on International Trade**

### **Course Description**

This course will provide students with a firm grasp of theoretical and empirical methods of analyzing international trade outside of the traditional competitive framework, utilizing the tools of New Trade Theory. Topics addressed include strategic interaction between governments and firms, intra-industry trade, trade policy and trade agreements, multinational corporations, intellectual property rights and the emergence of international technology gaps. This course also examines the pattern of trade and the welfare consequences of various trade policies from an empirical view point and how to apply trade analysis in a policy environment.

### **Learning Outcomes:**

After completing the course, students should be able to understand

- trade with heterogeneous firms;
- trade and productivity;
- the use of gravity equations to estimate trade flows;
- and the link between trade integration and the optimal size of countries.

### **Recommended Books**

Copeland, Brian R. and M. Scott Taylor (2003), Trade and the Environment: Theory and Evidence, Princeton, NJ: Princeton University Press.

Obstfeld, Maurice and Kenneth Rogoff, Foundations of International Macroeconomics, MIT Press 1996.

Eaton, J. and R. Fernandez, "Sovereign Debt," In Handbook of International Economics, edited by Gene M. Grossman and Kenneth Rogoff, Amsterdam: Elsevier, 2031-2076, 1995.