ECONOMICS 280A
INTERNATIONAL ECONOMICS

Course Requirement:

A three-hour closed-book exam in the final exam period. Prior knowledge of graduate-level micro-theory necessary for following the class, but no familiarity with international economics is required.

For the topics below a small number of readings, mostly from the textbooks, is cited against each general topic, but in class some more detailed readings on subtopics, mostly from journals, will be referred to from time to time. On account of the small number of lectures in the semester in relation to the vastness of the literature for international economics, there will be no mid-term, but I’d urge you to follow along with your readings, as I move from topic to topic, and come to my office hours for discussion, if necessary, instead of leaving all your reading until the final exam time. There will no problem sets formally, but from time to time I’ll announce in class problems for you to solve, and if you have difficulty with them, I’d encourage you to see me in my office hours.

Textbooks:

In my lectures I shall not follow any particular book. However, selected chapters in the following textbooks should cover many of the topics to be discussed in class. None of these textbooks is required.

(Chapters 2, 3, 5, 7, 14)

(Chapters 1-5, 7, 9, 10)


(Chapters 24-28)

(Chapters 2-8, 11-15, 18, 30, 37)
Suggested Readings on Specific Topics

A. The Traditional Theories of Comparative Advantage
   i. Textbook 5, Chapters 2-4, 5-8.
   ii. Textbook 2, Chapter 1,2.
   iii. Textbook 4, Chapter 26

B. Trade Liberalization or Protection and Income Distribution
   i. Textbook 2, Chapters 1-4 and 9.
   ii. Textbook 4, Chapter 28

C. Scale Economies, Product Differentiation, Market Imperfections and Trade Patterns
   i. Textbook 3, Part III.
   ii. Textbook 1, Chapters 2, 3, 5, 7 and 14.
   iii. Dixit and Norman, Theory of International Trade, Chapter 9.
   iv. Textbook 5, Chapter 11.
   v. Textbook 2, Chapter 5.

D. Heterogenous Firms and International Trade
   i. Melitz, Econometrica, 71(6),2003

E. Economic Growth and Trade
   i. Textbook 5, Chapter 37.
   ii. Bardhan and Udry, Development Microeconomics, Chapter 14.
   iii. Grossman and Helpman, Innovation and Growth in the Global Economy, Chapters 3, 8-12.
   v. Textbook 4, Chapter 25.
F. Positive and Normative Effects of Protection

i. Textbook 3, Chapters 7 and 8.
iii. Textbook 2, Chapter 7.
iv. Textbook 4, Chapter 27.