SYLLABUS: BAVARIAN GRADUATE PROGRAM IN ECONOMICS

International trade: October 10-15, 2021

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Course description: The aim of the course is to provide participating students with advanced tools for conducting state-of-the-art research on the main issues concerning international trade in the age of globalization and accelerated technological change. The focus is on the firm-level approach originated from “new trade theory”, in particular on the implications of market structure for the gains and losses from trade, with special emphasis on new quantitative trade models.

Teaching methods: Presentation and discussion of selected core papers for each topic with an overview of related literature. By the end of the course, students should have acquired a clear understanding of the topics covered and be able to use the taught tools for research on international trade issues.

Prerequisites: The course material is self-contained but assumes familiarity with standard microeconomics and macroeconomics at the advanced undergraduate level. Being comfortable with multivariable calculus and mathematical optimization is particularly important.

Daily schedule:
9:00–10:30       First Lecture
10:30–11:00      Coffee Break
11:00–12:30      Second Lecture
12:30–14:00      Lunch
14:00–16:00      Problem Sets
16:00–16:30      Coffee Break
16:30–18:00      Discussion of Problem Sets and Review
18:00–19:30      Free Time
19:30           Dinner

Please note that the course will start on Sunday, October 10, in the evening with a welcome meeting at 19:00 followed by dinner. The course will finish at 15:00 on Friday, October 15. On Friday, instead of problem sets there will be a final review session from 14:00 to 15:00.

Assessment methods: mandatory open-book exam on Friday, October 29 at the home universities of the participating students.
**Topics:**

0. The Backlash of Globalization (Colantone-Ottaviano-Stanig)
1. Microfoundations of Gravity Equations (Head-Mayer)
2. Trade, Scale and Product Variety (Krugman)
3. Trade and Selection (Melitz)
4. Trade and Competition (Melitz-Ottaviano)
5. Technology and Trade (Eaton-Kortum)
6. Gains from Trade and Trade Policy (Arkolakis-Costinot-Rodriguez Clare)

**Course materials:** Participating students are provided with teaching notes ahead of the course. The notes are grouped into topics rather than lectures.

**Recommended readings:**


**Additional readings (broader overviews):**

