SYLLABUS

Course Description: The course covers the theory of international trade and international factor movements. We will examine the basis of comparative advantage; trade in differentiated products; gains from trade and welfare; trade and income distribution; multinational companies; North-South trade models and transfer of technology.

Organization and Requirements: I will make a special effort to present the relevant economic intuition using geometric and algebraic techniques. However, students should be familiar with calculus and optimization techniques (both static and dynamic) presented in the graduate level economic theory sequence. Many articles in the literature use calculus to describe various issues related to the course.

Grades: There will be a mid-term examination, a final examination and homework. The final exam is cumulative. Grade weights will be approximately as follows: midterm 30%, final examination 50%, homework 20%.


Midterm Exam Date: Tuesday, October 17, in class.

Final Exam Date: Thursday, December 7, in class.

COURSE OUTLINE

This is a tentative reading list. More material might be added as it becomes available. Readings proceeded by an asterisk (*) will form the basis for class discussion and lectures.

1. Ricardian Model


2. Heckscher-Ohlin-Samuelson Model


1.


3. **Many Goods and Many Factors.**


4. **Imperfect Competition and Increasing Returns.**


5. **Dynamic Patterns of Trade**


6. **International Factor Movements**


