

2014-2015

<b>International Trade (EDEV321)</b>
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**Professor:** Alain de Crombrugghe, [alain.decrombrugghe@unamur.be](mailto:alain.decrombrugghe@unamur.be)

**Calendar:** TBD

**Credits:** 5 ECTS

**Objective and content**

The aim of the course is to help to think about four aspects of international trade:

1. Statistical and dynamic impacts of trade on welfare and distribution;
2. Trade flow direction (direction , type, size ) ;
3. Imperfections and asymmetries in markets;
4. Strategies of firms and governments in the context of imperfectly competitive markets.

Students should be able to discuss the materials cited in the point of view of economic efficiency and global distributive justice as well as from the perspective of specific agents as the firm and its stakeholders (employees, shareholders, officers, customers).

The course includes an introduction to modeling (or at least the use of formal arguments) .

**Specific Content**

1. Gains trade statistics
- 1.0 Principles
  - 1.1. Comparative advantage
  - 1.2. Factors depreciation
  - 1.3. Specific factors
  - 1.4. Economies of scale (in general)
  - 1.5. Earnings in competition (external economies, contestable markets)
  - 1.6. Effects of variety
  - 1.7. Oligopoly rents
  - 1.8. Market volatility and risk
2. Dynamic Gains from Trade
  - 2.0. Exacerbating trade distortions or growth
    - 2.1. Neoclassical growth model
    - 2.2 Endogenous growth
    - 2.3 Changes in the trade structure
3. Multinational Corporations and Foreign Direct Investment

**Teaching Method**



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DES SCIENCES ÉCONOMIQUES,  
SOCIALES ET DE GESTION

Lectures and exercises. Reading newspaper, journals and scientific articles will help the student prepare for the course and the final. Exercise sessions with a teaching assistant will be scheduled during the semester.

### **Support and evaluation**

Closed book written examination .

The exam measures the student's ability to use theoretical constructs to explain practical cases in international trade.

The student must be able to relate one case to a set of assumptions and analysis by economic reasoning.

### **References**