Collegio Carlo Alberto
Spring 2016
International Economics
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Course Description: This is an 11 weeks, 22 hours course in international economics. We will start with an introduction to some key international trade models, and then move on to international macro models. We will also explore some topics related to the rising field of international trade and macroeconomics, as well as to the macroeconomics of Europe.

Evaluation: There will be 2 problem sets, both worth 25% of the final grade, and a final exam, worth 50% of the final grade.

Material: these three books will prove to be useful. We will also use some articles.


Course outline (very preliminary!!!):

First Part: International Trade

1) Intro + Ricardian Models of Trade

KOM Ch. 3
FE pp 2-4


2) Hescker-Ohlin Models of Trade

KOM Ch. 5
FE pp 4-26, 31-61
3) Krugman and the New Trade Theory

KOM Ch. 8.1-8.2
FE 137-144, 163-167

Krugman, P.R. (1979) Increasing returns, monopolistic competition, and international trade, *JIE*, 9, 469-479.

4) Firms Heterogeneity : the New-New trade Theory (2 weeks)


**Second Part: International Macroeconomics**

5) Current Account Dynamics

Obstfeld, M., and K. Rogoff , 1996, Ch. 1


6) International Real Business Cycle


7) Exchange Rate Dynamics

KOM Ch 14, 15, 16

8) Macroeconomic Interdependence Under Sticky Prices

KOM, Ch. 17
OR Ch. 10

9) International Trade and Macroeconomics


10) Interactions between fiscal and monetary policy

KOM, Ch. 21.


Journals Legend

AER: American Economic Review
QJE: Quarterly Journal of Economics
JPE: Journal of Political Economy
ECMA: Econometrica
RES: Review of Economic Studies
JIE: Journal of International Economics

Last update: May 8, 2015