UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

International Economics

2122-3-E3301M144

Course title

International Economics

Topics and course structure

The course deals with the most important aspects of international
economics. The topics covered are theories of international trade, trade policies, structure and performance of multinational firms, international factor movements (migration and capital flows), the Forex market, theories of exchange rate determination, fixed and flexible exchange rate regimes, mixing theories with facts. In addition to the standard syllabus, every year the lecture will provide some in-depth analysis on selected topics of particular interest in order to facilitate the application of the theory to real world problems and issues.

Objectives

The course delivers advanced knowledge of international financial markets, trade facts and theories and of the behaviour of multinational firms. The theories are presented in a rigorous way and the facts are explained using both descriptive and econometric analysis. In addition to the standard syllabus every year the lecture will provide some in-depth analysis on selected topics of particular interest in order to facilitate the application of the theory to real world problems and issues. The course aims at providing the skills needed to understand the behaviour and functioning of international markets. This means identifying the main subjects (individual, firms, countries, international institutions) and their
interconnections (import, export, capital flows, migration flows, financial contracts etc.). At the end of the course students will be able to critically assess all these issues and to derive policy implications.

Methodologies

The course is mainly based on standard lectures

Online and offline teaching materials

Teaching materials online (elearning)

Programme and references for attending students

1) TRADE THEORIES -Inter-industry models Ricardo Model Heckscher-Ohlin model -Intra-industry models New trade models New economic geography -Intra-firm models FDI and multinational enterprises 2) TRADE POLICIES -instruments -goals - economic context 3) Balance of Payments and the current account 4) Forex market, equilibrium conditions (UIP, CIP, PPP) 5) Equilibrium in the foreign exchange market short run vs long run 6) Fixed exchange rates 7) The international financial system

Programme and references for non-attending students

1) TRADE THEORIES -Inter-industry models Ricardo Model Heckscher-Ohlin model -Intra-industry models New trade models New economic geography -Intra-firm models FDI and multinational enterprises 2) TRADE POLICIES -instruments -goals - economic context 3) Balance of Payments and the current account 4) Forex market, equilibrium conditions (UIP, CIP, PPP) 5) Equilibrium in the foreign exchange market short run vs long run 6) Fixed exchange rates 7) The international financial system

Paul Krugman, Maurice Obstfeld e Marc Melitz, Economia Internazionale,
Vol 1, Pearson 2015, Decima edizione , Ch. 2-11 Vol. 2 Ch. 1-11.

Assessment methods

The assessment is based on a written exam. It is composed of numerical exercises and open questions. Numerical exercises want to test the understanding of the main models explained during the course. The open questions assess the student's ability to make connections between various topics of international economic explained during the course.

Office hours

Wednesday 2 p.m.

Programme validity

Two academic years

Course tutors and assistants