UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Firms and Markets in Global Economies

2223-1-F5602M003-F5602M006M

Learning objectives

The course aims to provide students with the appropriate tools for analysing firms' behavior in global markets.

Contents

1. Comparative Advantages and Specialization
2. Economies of Scale and Monopolistic Competition in Global Markets
3. Heterogeneous firms, production, and trade
4. Outsourcing e offshoring
5. Commercial policies under contract incompleteness
6. Capital markets' imperfections and the internationalization choice
7. The future of globalization

Detailed program

1. Comparative Advantages and Specialization

- Ricardo e Hecksher-Ohlin

2. Economies of Scale and Monopolistic Competition in Global Markets

- Krugman model

-External economies of scale

3. Heterogeneous firms, production, and trade

- Melitz model. Expoters: who are theyi?
- FDI vs. exports
- Trade in presence of contractual frictions

4. Outsourcing e offshoring

- Oganizational choice
- Location choice
- The multinational company

5. Commercial policies under contract incompleteness
6. Capital markets' imperfections and the internationalization choice
7. The future of globalization

Prerequisites

Introductory microeconomics

Teaching methods

Classes will be held in presence and according to the rules the University will set for the a.y. 2022-23.

Assessment methods

The test is written and consists of two parts.

Part 1 of the test paper consists of four questions, aimed to assess the student's ability to apply the knowledge

acquired in class to specific economic situations (problem solving). The answer to questions from this part of the test paper must be concise. Part 2 of the test paper consists of two questions, aimed to assess the student's knowledge and understanding of the topics and models covered in class.

A correct answer to a question from part 1 carries 4 points; a correct answer to a question from part 2 carries 8 points. The test lasts 90 minutes.

Textbooks and Reading Materials

1. Antras, P. Global Production: Firms, Contracts, and Trade Structure, Princeton University Press (2015)
2. Helpmann, E. Understanding Global Trade, Harvard University Press (2011)
3. Lecture Notes downloadable from Unimib elearning

Semester

I semester

Teaching language

English

Sustainable Development Goals