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Course Description:
This course covers the basic models of international trade and exposes you to current research in these topics. The course is a mixture of canonical and current papers to give you a proper understanding of the development of the field.

Main Book:

Supplementary Books:


Grading:
Your grade will be based on:
- final exam (30%) – 12/8, 2:50pm
- two in-class presentations (20%)
- two referee reports (20%) – due 10/18 and 11/15
- research proposal (30%) – due 11/29
Presentations:
You will choose two papers from the class reading list you will be provided with which you will present in class. These presentations are designed to mimic a seminar, to give you practice with that particular setting. In case you would prefer to present a paper which is not on the list, you can ask me so that I can see whether it is appropriate.

The following should be covered in your presentation:
1. Describe the topic: What is the main question of the paper? How does the paper answer that question?
2. Describe the methodology and data: What is the method? Structural or nonstructural estimation? Which model of trade has been used? What is the main specification and method of estimation? Describe the data: time series, cross section, panel? For the time series data, what is the time period? And what is the frequency of the data? For the cross sectional data, what is the cross sectional unit? And what is the range of the cross section?
3. Describe the contribution: What is the main finding? What are the estimated magnitudes? What phenomenon has been theoretically explained? What model has been extended and how? What theoretical result has been overturned or confirmed?

Referee Reports:
You will have to write two referee reports on a current working paper, which will be provided on a separate reading list. The purpose of these assignments is to get you used to reading papers in a critical fashion. They are intended to function as if you were asked by an editor to referee a paper submitted for publication. Each report will be 2-3 double spaced pages in length. The first 1-2 paragraphs should summarize the paper for the editor and describe the main features of the paper and its contribution to the existing or subsequent literatures. The report should discuss the strengths and weaknesses of the paper, contrasting it to others in the literature as necessary. You should describe how the authors could address the weaknesses (if possible) and give your recommendations for changes that would strengthen or enhance the paper. The reports are due on October 18 and November 15.

Research Proposal:
You will be required to submit a research proposal for a project on an international trade topic which will be 4-5 double spaced pages in length in addition to a list of at least 10 references. The proposal should summarize the idea, how it fits with the current literature, and how it would be executed. The proposal is due by Tuesday, November 29.

Course Outline:
1. Basic comparative advantage
2. Ricardian theories
3. Heckscher-Ohlin theories
4. Monopolistic competition and gravity
5. Trade policy
6. Trade and the environment
7. New explorations
ECON 7121
International Economics I
Fall 2015
Reading List

Legend Key:
T – textbook
S – survey
* – can be chosen for in–class presentation

Basic Texts


1. Basic Comparative Advantage


2. Ricardian Theories of Trade


3. Heckscher–Ohlin Theories of Trade


4. Monopolistic competition models and gravity equation


**5. Trade Policy**


6. Trade and the Environment


7. New Explorations


