

OIECOX03 - International Economics

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Department: International affairs
Semester: 1

Course level: Undergraduate (L3)
Domain: Economics
Teaching language: English
Number of in-class hours: 36
Number of course sessions: 11 + Exam
ECTS: 6

Course description and objectives

The class will cover topics in international economics: trade and migration. It will be broadly composed of two sections. The first, larger section is devoted to classical trade models (Ricardian model, Heckscher-Ohlin model), and their empirical application. Next, trade policy instruments and their effects are analyzed in a partial equilibrium setting. The second section is devoted to the economic analysis of migration. After an overview of the different migration regimes and flows, and of the corresponding orders of magnitude, we analyze migration in a two-factor classical framework. Next, a simple Roy-Borjas model of migrant selection is introduced. Its empirical relevance is discussed in light of recent applied research.

Objectives:

Being able to analyze and discuss current economic problems related to trade policy, trade integration, migration policy, the brain drain, in light of economic models. The course will be suited for students with previous background in economics, who have an interest in pursuing studies in the field.

Prerequisites

Basic calculus and at least one microeconomics course. A course in international economics is not required.

Learning outcomes

Students will be able to use an economic model to analyze, for example, the impact of a trade restriction, or of a restriction on immigration flows, on economic outcomes in the countries involved. They will be able to make the link between models and current economic problems in this domain.

Assignments and grading

Participation + written final exam

The numerical grade distribution will dictate the final grade. The passing grade for a course is 10/20.

Class participation: Active class participation – this is what makes classes lively and instructive. Come on time and prepared. Class participation is based on quality of comments, not quantity.

Exam policy: In the exam, students will not be allowed to bring any document (except if allowed by the lecturer). Unexcused absences from exams or failure to submit cases will result in zero grades in the calculation of numerical averages. Exams are collected at the end of examination periods.

Course structure

Session	Topic
1	Overview: stylized facts on trade today and in historical perspective
2	Classical trade theory: Ricardo's comparative advantage
3	Classical trade theory: factor-based models
4	Trade theory continued; exercises
5	Empirical tests of trade models
6	Trade policy in practice: instruments, impacts ; political economy of trade.
7	Trade policy in practice: case studies and empirical studies.
8	International migration: introduction. Overview of size, composition, direction of main flows.
9	Theoretical framework: migration in a classical two-factor, constant returns to scale model.
10	Selection of migrants: a simple Roy-Borjas model. Empirical applications.
11	Migrant selection continued.
12	Final Exam

Bibliography

- P. Krugman, M. Melitz and M. Obstfeld: *International Economics*, 9th edition. Pearson education.
- G. Borjas, *Immigration economics*, Harvard university press.

MyCourse

This course is on MyCourse: **Yes**

Academic integrity

Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contributed to the output produced by that group.

Academic calendar

Dates (Monday/Sunday)		
02/09/19	09/08/19	Welcome Week + French seminar
09/09/19	15/09/19	1
16/09/19	22/09/19	2
23/09/19	29/09/19	3
30/09/19	06/10/19	4
07/10/19	13/10/19	5
14/10/19	20/10/19	6
21/10/19	27/10/19	7
28/10/19	03/11/19	Holidays
04/11/19	10/11/19	8
11/11/19	17/11/19	9
18/11/19	24/11/19	10
25/11/19	01/12/19	11
02/12/19	08/12/19	Review w.
09/12/19	15/12/19	Exams
16/12/19	22/12/19	
23/12/19	29/12/19	Holidays
30/12/19	05/01/20	
06/01/20	12/01/20	