Course description and objectives
This course will provide students with the analytical tools that are essential to understand the process of globalization through the lens of firms. Lectures will focus on the key topics that are at the core of the optimal firm's international strategy: when is it optimal to offshore production abroad? In which countries and how? When exporting is more efficient than offshoring? Which are the main trade obstacles for firms? At the end of the course, students are expected to have a good knowledge of the mechanisms underlying the determinants and the consequences of the optimal international strategy of firms. Students will also be able to read simple research articles that can be used for the writing of research or policy notes.

Prerequisites
Solid bases in economics and international economics are strongly encouraged.

Learning outcomes
The students will have a deep knowledge of the main drivers of the globalization process of firms and its consequences for the welfare of countries.

Assignments and grading

- The final evaluation is based on a participation (25%) and a final exam (75%)

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

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<td>A historical perspective of globalization and the role of firms</td>
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<td>2</td>
<td>Micro-foundation of Multinational Enterprises (MNEs) and the optimal entry mode</td>
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<td>The proximity-concentration trade-off</td>
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<td>Export, FDI and Immigrants: the optimal strategy of heterogeneous firms</td>
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<td>Gravity model for trade: from macro to firm perspective</td>
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<td>Obstacles to trade: tariff and non-tariff barriers to firm's exports</td>
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<td>Final Exam</td>
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Bibliography

  - Chapter 2 “World trade, an overview”
  - Chapter 6: "External Economies of Scale and the International Location of Production"
  - Chapter 9: “The Instruments of Trade Policy”


MyCourse
This course is on MyCourse: XXX

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