Economic Aspects of Globalization

ECTS : 3

Volume horaire : 27

Description du contenu de l'enseignement :

This course aims to provide students with the key concepts and theories needed to understand the longlasting process of globalization. The course starts by analyzing the hard facts of globalization and its historical pattern (first and second wave of globalization). Then the neoclassical models of trade (Ricardian and HOS) will be employed to understand such stylized facts. The fundamental aspects of the monopolistic competition model for trade (à la Krugman 1979) will be covered for a proper comprehension of the forces driving the globalization of countries and firms. The last part of the course is dedicated to the movement of factors, i.e. capital (foreign direct investment) and labor (international migration). The course consists of 9 sessions (1h 30min each). On top of the standard course hours, 9 applied classes of 1h 30min each are dedicated to solve exercises. This course is on Moodle. **1** Stylized facts on Globalization (part 1) **2** Stylized facts on Globalization (part 2) **3** The Ricardian model of Trade (autarky equilibrium) **4** The Ricardian model of Trade (free trade equilibrium) **5** The Factor Content model of Trade (HOS model) **6** Economics of Scale and Product differentiation (part 1) **7** Economics of Scale and Product differentiation (part 2) **8** Foreign Direct Investment and Multinational firms **9** Obstacles to Trade and Trade Policy **Final Exam**

Compétence à acquérir :

The student will have a broad perspective of the models for international trade and globalization. This will allow a deep knowledge and understanding of the globalized world in which we live.

Mode de contrôle des connaissances :

The final note will be based on a mid-term and final exam. Class participation will also contribute to the calculation of the final note. The numerical grade distribution will dictate the final grade. The passing grade for a course is 10/20. **Attendance** Attendance is mandatory. Students are expected to attend all classes, arrive on time, and stay for the entire session. Repeated absences or lateness may affect the final grade. **Class Participation** Active participation is encouraged, as it contributes to making classes more engaging and instructive. Students are expected to come prepared and contribute thoughtfully to discussions. When participation is part of the course assessment, it is evaluated based on the quality of contributions rather than their quantity. **Exam Policy** Students are not allowed to bring any materials into exams, except those explicitly authorized by the instructor. Unexcused absences from exams or failure to submit assigned cases will result in a grade of zero when calculating final averages. All exams must be submitted at the end of the examination period. **Communication and Grading** All questions or concerns regarding grading or course policies must follow the official procedures. No direct negotiation with instructors about grades or assessments is permitted. 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.

Bibliographie, lectures recommandées :

- Krugman P., Obstfeld M., and Melitz M., (2008). International Economics: Theory and Policy. Pearson, 9th Ed. (any other edition of this textbook would be fine).

Gianluca Orefice is Professor at the University of Paris-Dauphine and research fellow at CESifo (Munich) and CEPII (Paris). He is also visiting professor at the University of Bergamo (Italy). Previously he was economist at CEPII (Centre d'Etudes Prospectives et d'Information Internationales) in Paris, consultant at the Economic Research and Statistics Division of the World Trade Organization (WTO), and research assistant at Centro Studi Luca D'Agliano. He holds a PhD in Economics from the University of Milan and a Master in Management, Economics and Industrial Engineering from Polytechnic of Milan. He was visiting student at the Universitè Catholique de Louvain. He has published on international trade and migration in several international professional journals, including the Journal of International Economics, European Economic Review, Journal of Comparative Economics, ILR Review, Regional Science and Urban Economics and the Canadian Journal of Economics. He is member of the editorial board of International Economics (Elsevier).