

**Specialisation**

# International Economics



Master-Programme Economics



## Institutes of the Department of Economics

- Institute for International Economics: Harald Badinger
- Institute for International Economics and Development: Ingrid Kubin

## General

- Offered in summer and winter term
- Covers core topics of international economics, trade theory, environment and development (emphasis on trade theory)

## Learning Objectives

- After this class students should have a sound knowledge of the main theories of international trade, understand their empirical implications, and be able to apply them to real world issues and questions of economic policy relevance.
- Focus: causes and consequences of trade and trade policy under perfect and imperfect competition
- This course also discusses the relevance of trade for the environment and issues related to income distribution.

# International Economics

## Winter term 2025

### Winter 2025:

- PI 2473 International Economics, Badinger/Malik
- Tuesday, 12:30 – 16:00, weekly, in English

### Prerequisites

- Sound knowledge of microeconomics, macroeconomics, mathematics. Knowledge in econometrics is helpful.

### Contents

- Trade Theory
  - Causes and Consequences of Trade
  - Ricardo-, specific factor-, Heckscher-Ohlin-, new trade theory –models
  - Imperfect Competition and Trade, Monopolistic Competition, Heterogeneous Firms
  - Trade Policy, Tariffs, Quotas
- International Trade, Environment and Inequality

# International Economics

## Winter term 2025 – Overview

	Time	Units	Course	
<b>21.10.2025</b>	12:30-16:00	U1	Introduction; Microeconomic Foundations I: GE in Closed and Open Economies	
<b>28.10.2025</b>	12:30-16:00	U2	Microeconomic Foundations I: GE in Closed and Open Economies	
<b>04.11. 2025</b>	12:30-16:00	U3	Productivity Differences and Trade: Ricardo Model	
<b>11.11.2025</b>	12:30-16:00	U4	Endowment Differences and Trade: Heckscher-Ohlin Model, Specific Factor Model	
<b>18.11.2025</b>	12:30	U5	<b>Mid-Term Test</b>	Units 1-4
<b>25.11.2025</b>	12:30-16:00	U6	Imperfect Competition and Trade, Monopolistic Competition, Heterogeneous Firms	
<b>02.12.2025</b>	12:30-16:00	U7	Trade Policy, Tariffs, Quotas under Perfect and Imperfect Competition	
<b>09.12.2025</b>	12:30-16:00	U8	Trade and the Environment	
<b>16.12.2025</b>	12:30-16:00	U9	Trade and Inequality	
<b>27.01.2025</b>	12:30	U10	<b>Final Test</b>	Units 6-9

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## Winter term 2025

### ■ Teaching Methods & Grading

- Lectures
- Mid-term test (35%), final test (35%)
- Two home assignments (in groups of 2-3) (each 10%)
- Presentations (in groups) (10%) at the end of units 2-4 and 6-9:
  - students present articles from magazines (e.g., The Economist) of their choice (related to current topics in international economics), 5-10 min.

### ■ Basic Literature

- Markusen, J.R. and Maskus, K. (2011). International Trade: Theory and Evidence. Manuscript.
- Markusen, J.R., Melvin, J.R., Kaempfer, W.H., and Maskus. K.E. (1995). International Trade: Theory and Evidence. New York et al.: MacGraw-Hill.
- Feenstra, R. (2014). Advanced International Trade. Princeton: Princeton University Press.
- Selected papers. Further references are given on the slides and during class.