

## Syllabus

<b>Name:</b>			
<b>Empirical International Trade</b>			
<b>Responsible:</b>			
Professor Joschka Wanner, Junior Professorship of Quantitative International & Environmental Economics			
<b>Program:</b>	<b>Type:</b>	<b>Term:</b>	<b>ECTS:</b>
Master	Lecture + Exercise Class	Summer	10 CP
<b>Contents &amp; Objectives:</b>			
<p>Empirical research in international economics is characterized by a tight link between economic theory and econometric specifications. The course will introduce the structural approach to empirical research using the gravity model of international trade, which is the workhorse model in empirical trade research. Based on a theoretical derivation of the model, students will learn both how to estimate the corresponding structural econometric model to analyze the effects of a range of trade policies. Using the trade gravity expression as a starting point, closely related models for example for international migration, FDI flows, or carbon emissions embodied in international trade will also be considered. Besides the lectures, the course will also contain computer exercises in which the students will implement estimations themselves.</p>			
<b>Prerequisites:</b>			
Students that attend this course should have some basic knowledge in both econometrics and trade theory.			
<b>Course Structure:</b>			
<b>Week</b>	<b>Content</b>		
1	Introduction		
2-3	Gravity Derivation & Accounting for Multilateral Resistance		
4	Gravity beyond Trade: Migration, Investment, Ideas, and Emissions		
5	Endogeneity of Trade Policy & Panel Data		
6	Intranational Trade Flows & Unilateral Trade Policies		
7	European climate policy: Emission trading and Green Deal		
8	Heterogeneous Trade Policy Effects		
9	Extensive Margin of Trade		
10-11	Quantitative Trade Theory and General Equilibrium		
12	Different Micro-Foundations and Gravity Extensions		
<b>Literature:</b>			
<p>Yotov, Y., Piermartini, R., Monteiro, J. &amp; Larch, M. (2016): An Advanced Guide to Trade Policy Analysis: The Structural Gravity Model.</p> <p>Lecture slides and additional papers will be provided every week.</p>			
<b>Grading:</b>			
Students will write a term paper at the end of term.			
<b>Contact:</b>			
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