



January 16, 2024

Master Seminar in International Economics (Economics, IBE) Summer Term 2024 **Schwerpunkt-Seminar International Trade**

Curriculum/Requirements

We recommend *Economics* students to have completed the module “International Trade and Inequality”, but this is not a formal entry requirement.

IBE students must have completed the module “International Trade and Inequality”.

Prior experience in econometric analysis and/or numerical simulation using econometric software (Stata, R, Python, or Matlab) is expected.

Objectives

Students can explain how to conduct theory-consistent trade policy analysis using either the gravity framework of international trade (econometric analysis) or general-equilibrium quantitative trade models (numerical simulation). They can conduct their own empirical projects using adequate econometric software. They can write up a scientific paper and present their project to a critical audience.

Contents: Gravity-based and Quantitative Trade Policy Analysis

We revisit the gravity framework and the quantitative trade models developed in the course “International Trade and Inequality”. For the gravity analysis, we derive a theory-consistent estimation equation, explore potential data sources needed to estimate the effects of trade policies, discuss econometric issues associated with the estimation and estimation techniques, and interpret regression output. For the quantitative trade models, we derive the necessary equations for one state-of-the-art model, inspect the input-output tables required for calibration, discuss the numerical implementation using fixed-point iteration algorithms, and interpret simulation output.

Literature

The seminar is based on chapter 1 of the “Advanced Guide to Trade Policy Analysis: The Structural Gravity Model” (<https://vi.unctad.org/tpa/web/vol2/vol2home.html>) and the handbook chapters of Costinot and Rodríguez-Clare (2014) and Caliendo and Parro (2022). Other academic papers will be made available during the seminar.

Assessment

To receive the credits, the following requirements have to be fulfilled: (i) presence in the seminar, (ii) a proposal, (iii) a presentation, and (iv) a seminar paper. The final grade in the seminar will be based on the proposal (10%), the presentation and participation in the seminar meetings (30%), and the seminar paper (60%).

Timing

There will be the following blocked on-site events (depending on availability):

- April 12, 2024, 10am-2pm: Kick-off/introduction into topic (part I)
- April 19, 2024, 10am-2pm: Kick-off/introduction into topic (part II)
- May 17, 2024, 10am-2pm: Proposal session
- June 27, 2024, 2pm-6pm: Presentation session

Attendance to all of these meetings is mandatory. Final seminar papers and presentation slides will be due at least one day in advance.

Registration

Registration for the seminar involves 2 steps:

- Join the course Master Seminar International Economics (Summer 2024) on ILIAS (https://ilias.uni-hohenheim.de/goto.php?target=crs_1556503&client_id=UHOH)
- Participate in the survey “Registration”.

The registration deadline is **April 8, 2024, 10am**. During the registration, you will be asked which courses you have already completed.

The number of participants is limited.

We will inform you about acceptance via email. *Please make sure that you regularly check the email address associated to your ILIAS account.*

Additional information for exchange students

Those (and only those) of you who do not have an ILIAS account by April 8, 2024, please register for the seminar via email to intecon@uni-hohenheim.de (not later than April 8, 2024, 10am). The subject of your email should be “Registration for Master Seminar in International Economics”. Please provide us with the following information: (i) surname, first name, (ii) student ID (if available), (iii)

exchange program you are enrolled in (e.g., Double Master Program in Economics with Pavia), and (iv) courses in International Economics you plan to attend at the University of Hohenheim, by semester.