



October 6, 2022

International Trade & Inequality (5205-450) Winter 2022/2023

1. Curriculum

The module “**International Trade & Inequality**” (5205-450) is relevant for students of the following master’s programs:

- Masters in International Business and Economics (Focus Area: International Economics),
- Masters in Economics (Major: Inequality and Economic Policy)
- Others, depending on their study plans

2. Course organization

We follow an **Inverted Classroom Model**. We deliver the course content online via our learning platform (ILIAS). Learning units will be made available at a weekly basis. You are expected (i) to study the online materials, (ii) to do the exercises, and (iii) to post open questions in Forums related to the learning units on ILIAS. The agenda below lists what to do and when.

In additional weekly in-class **Meet-up Sessions** (2 hours per week, hold by Professor Dr. Benjamin Jung or Julia Spornberger), the previous learning unit will be wrapped up (by discussing open questions posted on ILIAS), and the next learning unit will be introduced.

There will be a **final assessment**. You have to **register for the final assessment via the examination office** (“Prüfungsamt”).

Regarding possible changes, please **check ILIAS frequently**.

For this semester, you do not need a password (at the beginning of the semester) to join the ILIAS course:

https://ilias.uni-hohenheim.de/goto.php?target=crs_1404263&client_id=UHOH

3. Agenda (What to do and when)

We meet on Wednesdays in HS11 from 10.15 – 11.45. **After each introduction session, prepare the course material for the next session.** Students are required to (i) study the online material, (ii) do the exercises, and (iii) post open questions in the Forum on ILIAS.

Date	Learning units	Content and Tasks
Oct. 19, 2022	0	Class preliminaries
	1	Introduction to Globalization – The Big Picture For the next session (i) study the online material, (ii) do the exercises, and (iii) post open questions in the Forum on ILIAS.
Oct. 26, 2022	1	Wrapping up Globalization – The Big Picture
	2	Introduction to Global Firms: Selection into Exporting and Concentration of Export Sales
Nov. 2, 2022	2	Wrapping up Global Firms: Selection into Exporting and Concentration of Export Sales
	3	Introduction to Global Firms: Effects of Trade Liberalization - Theoretical Considerations
Nov. 9, 2022	3	Wrapping up Global Firms: Effects of Trade Liberalization - Theoretical Considerations
	4	Introduction to Global Firms: Evidence on Firm Exit and Intra-industry Reallocation
Nov. 16, 2022	4	Wrapping up Global Firms: Evidence on Firm Exit and Intra-industry Reallocation
	5	Introduction to Global Firms: The Role of Firm-level Heterogeneity for Wage Inequality
Nov. 23, 2022	5	Wrapping up Global Firms: The Role of Firm-level Heterogeneity for Wage Inequality
	6	Introduction to Putting Ricardo to Work: Revisiting Ricardo's Example
Nov. 30, 2022		Time to reflect on the previous learnings units and to revisit the basic Ricardian model (videos from Bachelor course International Trade, see ILIAS)
Dec. 7, 2022	6	Wrapping up Putting Ricardo to Work: Revisiting Ricardo's Example
	7	Introduction to Putting Ricardo to Work: More Goods
Dec. 14, 2022	7	Wrapping up Putting Ricardo to Work: More Goods
	8	Introduction to Putting Ricardo to Work: Many Goods and Many Countries
Dec. 21, 2022		MOCK EXAM will be released Work on the MOCK EXAM
Christmas Break		
Jan. 11, 2023	8	Wrapping up Putting Ricardo to Work: Many Goods and Many Countries
	9	Introduction to Putting Ricardo to Work: Applying the Tool
Jan. 18, 2023	9	Wrapping up Putting Ricardo to Work: Applying the Tool
	10	Introduction to Trade Policy Evaluation: Gravity and the Productivity Dispersion Parameter
Jan. 25, 2023	10	Wrapping up Trade Policy Evaluation: Gravity and the Productivity Dispersion Parameter

	11	Introduction to Trade Policy Evaluation: Gravity-based Partial Equilibrium Trade Policy Analysis
Feb. 1, 2023	11	Wrapping up Trade Policy Evaluation: Gravity-based Partial Equilibrium Trade Policy Analysis
		Discussion of the MOCK EXAM
tba		Final Examination

4. Office hours

Please take advantage of the possibility to **contact us in person directly before or after the sessions**. Please use the “**Forum on Organizational Issues**” on **ILIAS** for all general questions about the course organization and the Forums on learning units for all questions related to content.

Prof. Dr. Benjamin Jung: Only with appointment (via e-mail)

Julia Spornberger (M. Sc.): Only with appointment (via-email)

5. Key references

- Eaton, Jonathan and Samuel Kortum (2002). Technology, Geography, and Trade. *Econometrica* 70(5): 1741-1779.
- Eaton, Jonathan and Samuel Kortum (2012). Putting Ricardo to Work. *Journal of Economic Perspectives* 26(2): 65-90.
- Feenstra, Robert C. (2016). *Advanced International Trade: Theory and Evidence*. Second Edition. Parts of Chapters 5 and 6
- Melitz, Marc J. (2003). The Impact of Trade on Intra-Industry Reallocations and Aggregate Industry Productivity. *Econometrica* 71(6): 1695–1725.
- Melitz, Marc J. and Stephen J. Redding (2014). Heterogeneous Firms and Trade. In: G. Gopinath, E. Helpman, and K. Rogoff (eds.). *Handbook of International Economics* Vol. 4. Chapter 1.
- Further journal articles will be announced in the course.