

**COURSE DATA****DATA SUBJECT**

Code: 43739
Name: International trade
Cycle: Master's Degree
ECTS Credits: 4
Academic year: 2025-26

STUDY (S)

Degree	Center	Acad. year	Period
2166 - Master's Degree in Economic Globalisation: International Trade Management	Facultat d'Economia	1	Second quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
2166 - Master's Degree in Economic Globalisation: International Trade Management	International economic flows	ELECTIVES

COORDINATION

REQUENA SILVENTE FRANCISCO

SUMMARY

This course will analyse the causes and consequences of international trade, investment and migration. In particular, we will study why nations trade, what they trade and the gains from trade. Firm decision to export and/or to invest abroad will also be examined. The course will use extensively micro-economic tools. Topics covered include main models of international trade and its extensions, the study of multinationals, offshoring, global value chains and some trade policy tools.

PREVIOUS KNOWLEDGE**RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE**

There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS**COMPETENCES / LEARNING OUTCOMES**



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Articular de forma sòlida arguments crítics con las posiciones defendidas por los compañeros de actividad o los posibles socios en los negocios, a la par que desarrollar la autocrítica respecto a los propios posicionamientos.

Conocer el entorno institucional, particularmente el de la Unión Europea, en el que se desarrolla el proceso de internacionalización en la actual economía globalizada.

Desarrollar la capacidad de trabajar en equipo, respondiendo a situaciones problemáticas de manera colectiva.

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Desarrollar las capacidades de análisis y síntesis precisas para abordar problemas complejos.

Desarrollar un conocimiento suficiente y un empleo efectivo de las fuentes estadísticas y documentales necesarias para sustentar las propuestas efectuadas.

Detectar oportunidades y riesgos en los mercados internacionales, en particular en las economías emergentes.

Obtener el necesario conjunto de conocimientos sobre la situación de la economía mundial y del comercio internacional para entender el contexto en el que evoluciona la actividad de empresas e instituciones con proyección internacional.

Obtener una visión amplia de las relaciones comerciales internacionales, enfocando la problemática de la empresa o institución desde una perspectiva global.

Saber aplicar los conocimientos adquiridos y ser capaces de resolver problemas en entornos nuevos o poco conocidos dentro de contextos más amplios (o multidisciplinares) relacionados con el comercio internacional y la integración económica

Students should apply acquired knowledge to solve problems in unfamiliar contexts within their field of study, including multidisciplinary scenarios.

Students should be able to integrate knowledge and address the complexity of making informed judgments based on incomplete or limited information, including reflections on the social and ethical responsibilities associated with the application of their knowledge and judgments.

Students should communicate conclusions and underlying knowledge clearly and unambiguously to both specialized and non-specialized audiences.

Students should demonstrate self-directed learning skills for continued academic growth.

Students should possess and understand foundational knowledge that enables original thinking and research in the field.



DESCRIPTION OF CONTENTS

1. Topic 1.- MAIN QUESTIONS IN INTERNATIONAL TRADE.

- 1.1.- Why study international trade?
- 1.2.- Important questions: trade pattern, trade profits, distributive effects, business policy
- 1.3.- Stylized facts of international trade.

2. Topic 2.- TRADE, TECHNOLOGY AND WAGES. THE RICARDO MODEL.

- 2.1.- The concept of comparative advantage
- 2.2.- Ricardo's model.
 - 2.2.1.- The hypotheses.
 - 2.2.2.- Production possibilities.
 - 2.2.3.- Prices in autarky
 - 2.2.4.- Determination of prices in free trade
 - 2.2.5.- Trade pattern and trade profits
- 2.3.- Empirical evidence of Ricardo's Theory.

3. Topic 3.- TRADE AND INCOME DISTRIBUTION. THE SPECIFIC-FACTOR MODEL (MODELO RICARDO-VINER)

- 3.1.- The SF model.
 - 3.1.1.- The hypotheses.
 - 3.1.2.- Production Possibility Frontier.
 - 3.1.3.- Equilibrium under autarky.
- 3.2.- Equilibrium under free trade.
 - 3.2.1.- Terms of trade.
 - 3.2.2.- Gains from trade.
 - 3.2.3.- Remuneration of factors and income distribution.
- 3.3.- Empirical evidence.

4. Topic 4.-TRADE AND FACTOR ABUNDANCE. THE HECKSCHER-OHLIN MODEL.

- 4.1.- The Heckscher-Ohlin Theory.
 - 4.1.1.- The hypotheses.



- 4.1.2.- Intensity and abundance.
- 4.1.3.- Production possibility frontier.
- 4.1.4.- Determination of the balance without and with free trade.
- 4.2.- The Heckscher-Ohlin Theorem Theorems.
- 4.2.1.- The Heckscher-Ohlin Theorem.
- 4.2.2.- The Stolper-Samuelson Theorem.
- 4.2.3.- The Factor Price Equalization Theorem.
- 4.3.- Contrasting the Heckscher-Ohlin model.
- 4.3.1.- Leontief's paradox.
- 4.3.2.- Response to Leontief's work.
- 4.3.3.- The factor content of trade model (H-O-V model)
- 4.3.4.- Attempts to reconcile the theory with the paradox de Leontief: Trefler's contributions

5. Topic 5.-INTERNATIONAL OUTSOURCING.

- 5.1.- An outsourcing model.
- 5.1.1.- Value chain of activities.
- 5.1.2.- Changes in trade costs
- 5.2.- The profits from outsourcing.
- 5.2.1.- Simplified outsourcing model
- 5.2.1.- Production in the absence of outsourcing

6. Topic 6.- TRADE IN THE PRESENCE OF IMPERFECT COMPETITION, ECONOMIES OF SCALE AND PRODUCT DIFFERENTIATION.

- 6.1.- The Krugman model (monopolistic competition, economies of scale, product differentiation)
- 6.3. The Melitz model. Heterogeneity of companies in international trade
- 6.4. The gravity model of trade

7. TOPIC 7.- THEORY OF PROTECTION.

- 7.1.- The instruments of trade policy: classification of trade controls, concepts.



- 7.2.- Tariffs and their economic effects.
- 7.3.- Quotas and their economic effects
- 7.4.- Export subsidies.
- 7.5.- Other non-tariff protection instruments.

WORKLOAD

PRESENCIAL ACTIVITIES

Activity	Hours
Tutorials	2,00
Theory	27,00
Seminar	1,00
Other activities	2,00
Group work	8,00
Total hours	40,00

NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	0,00
Independent study and work	0,00
Preparation of lessons	0,00
Preparation for assessment activities	0,00
Resolution of case studies	0,00
Total hours	0,00

TEACHING METHODOLOGY

The development of the subject is structured around four elements:

1. Face-to-face lectures where the teacher will explain the different topics of the program, indicating, where appropriate, the sources in which to expand the different perspectives introduced.
2. Face-to-face classes that complement the contents covered in the theoretical sessions. During the classes the students will be assessed using online tests so computer or mobile phone is required.
3. In the Aula Virtual the teacher will publish all the materials that facilitates the monitoring of the subject, as well as the exercises and online tests.



4. Tutorials on line and office hours to solve doubts

EVALUATION

The final grade of the course will be the result of the combination of the following two elements:

1. Continuous evaluation (50% of final grade). There will be exercises after each topic. There will be also tasks to be solved in groups. The participation in class also will be taken into account. Some but not all continuous assessment activities are recoverable.

2. A written exam (50% of final grade). It covers all the contents of the course.

The final grade will be placed on a scale from 0 to 10 and will result from the sum of the marks in the continuous evaluation and the written exam. It is required to pass the written exam to pass the course. The minimum mark to pass the written exam is 4.5 out of 10 points.

REFERENCES

- Feenstra, R. & Taylor, A. (2021): International Trade, Mc Millan Learning, 5th edition. (Any past edition is ok).
- Krugman, P.K., Obstfeld, M. & Melitz, M.J. (2016): International Economics, Pearson