

## International Economics

Academic Year: 2014/2015

1st Semester

Instructor(s): Teresa Lloyd-Braga

Filipa Santos Silva

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### Course Description:

This course focuses on international trade theory. We discuss economic incentives for the existence of international trade and of factors' movement. We study the pattern of trade and the effects of trade and of trade policy instruments on relative prices, volume of trade, income distribution and economic welfare. Standard models are used to address these issues.

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### Course Content:

1. Introduction
  2. Labor Productivity and Comparative Advantage
  3. Input Endowments and Comparative Advantage
  4. Basic (classical) Model for International Trade
  5. Economies of Scale; Imperfect Competition and International Trade
  6. International Factor Movements
  7. Trade Policy
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### Course Objectives:

Students are supposed to get knowledge on how trade models work and the mechanisms they describe. They should also be able to choose the most suitable model to answer specific questions and to discuss issues related to international trade and factor movements.

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### Grading:

Two compulsory exams: Mid-term exam (50%) and End of semester exam (50%).

Final Exam: Compulsory, for students whose average is between 8 and 9 (out of 20), and for students that attained an average mark higher or equal to 10 but with a very low mark (usually below 7) in one of the compulsory exams. Optional for final grade improvement: students do not fail but past grades are taken into account.

Attendance to classes and active participation in the discussion of the topics lectured may also be taken into account.



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Bibliography:

Krugman, P.R and Obstfeld, M., *International Economics: Theory and Policy*, Harper Collins College Publishers.

Kenen, P.B., *The International Economy*, Cambridge University Press.

Chacholiades, M., *International Economics*.

Dunn Jr., R.M. and Ingram, J.C., *International Economics*, John Wiley.

Salvatore, D., *International Economics*, Prentice Hall International Editions

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Biography:

Teresa Lloyd Braga holds a Ph.D. degree in Economics from Universidade Católica Portuguesa.

Her research focuses on (Endogenous) Business Cycles and Non Linear Dynamics introducing Market Imperfections on General Equilibrium Macro(dynamic) Models for Closed and Open Economies. Teresa Lloyd-Braga has published in academic journals including Journal of Economic Theory, Journal of International Economics, Journal of Economic Dynamics and Control, Economic Theory, etc.

She teaches several courses (Microeconomics, Macroeconomics, International Trade, etc.) and, since January 2011, she is the Academic Director of the MSc in Economics of Católica Lisbon School of Business and Economics.

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