



AH2007 International Economics 7.5 credits

International Economics

This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

Establishment

Course syllabus for AH2007 valid from Spring 2011

Grading scale

A, B, C, D, E, FX, F

Education cycle

Second cycle

Main field of study

Specific prerequisites

A completed Bachelor's degree including at least 60 credits in mathematics/economics and documented proficiency in English B or equivalent (TOEFL, IELTS eg).

Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

Intended learning outcomes

The course presents various theoretical starting points for analysing i trade patterns and the change of trade flows between countries. Applied models of export and import of individual products and product groups are presented, applied and assessed. The course examines the relation between trade and innovation and knowledge and economic networks. Foreign direct investment (FDI) and multinational firms gives a prominent role in the course. In models presented, export and import flows are derived from static and comparative advantages, product differentiation, increasing returns and oligopolistic competition.

One objective is to provide students with the analytical tools of modern theory of specialization, international competition and trade. Another objective is to make the participants in the course familiar with applied techniques for analysing, measuring and predicting specialisation, trade-flows and price patterns in the context of global economy with dynamic competitive advantage and increasing return.

Learning outcome

The student should be able to combine new trade theory with the classical theories of comparative advantage and explain the importance of scale economies and variety. In addition, the student shall have the capacity to analyze and explain international trade flows from the perspective of both import and export.

Course contents

- Foreign Direct Investments
- Multinational Firms
- Dynamic Competitive Advantage
- Product Differentiation
- Increasing Returns

Course literature

- Browen, H.P., Hollander, A. and Viacne, J. M. (1999) Applied International Trade Analysis. McMillan
- Krugman, P. (2002) Rethinking International Trade. Cambridge Massachusetts: The MIT Press.

Additional papers and materials will be delivered by the course administration.

Examination

- TEN1 - Examination, 6.0 credits, grading scale: A, B, C, D, E, FX, F
- ÖVN1 - Exercises, 1.5 credits, grading scale: A, B, C, D, E, FX, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

Assignment, written exam

Other requirements for final grade

Assignment, written exam

Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.
- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.