# ME2702 Globalization and Trade 7.5 credits

## Globalisering och handel

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

## Establishment

Course syllabus for ME2702 valid from Spring 2014

## Grading scale

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

## Education cycle

Second cycle

## Main field of study

Industrial Management

## Specific prerequisites

At least 120 ECTS with a minimum of 30 ECTS in mathematics/economics and documented proficiency in English B or equivalent (TOEFL, IELTS e.g.)

## Language of instruction

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

## Intended learning outcomes

Learning outcomes. After completed course, students shall be able to:

- Describe the processes of globalization and demonstrate knowledge of the political, social and economic impacts
- Describe the development of international trade and the relevant trade policy institutions
- Describe and assess the relevance of various trade theories
- Analyze the effects of various forms of trade
- Apply fundamental macro-, micro-, and international economic theory to analyze globalization
- Describe and analyze multinationals importance to globalization and localization of economic activity
- Identify factors that promote or hinder globalization
- Assess the implications of globalization for economic growth
- Critically review and reflect on the ideas in the academic literature dealing with globalization

## Course contents

The course is based on the increasingly intertwined global economy and highlights important changes affecting globalization in the last hundred years. The causes of globalization and its long and short run implications are covered. The analysis is based on theoretical models that help us understand the different relationships that drive globalization, trade patterns and changes in trade flows between countries and regions. Important elements of the course include innovation, knowledge diffusion, foreign direct investment (FDI) and multinational corporate location decisions and their impact on globalization and growth. The course provides students with the necessary theoretical and empirical tools to analyze and predict globalization, specialization and international and regional trade.

Important elements of the course include:

- Static and dynamic comparative advantages
- Spatial preferences and specialization
- One-and two-way trade
- Spatial price equilibrium
- Barriers
- Specialization, agglomeration and regional/national growth
- International and regional migration patterns
- FDI

## Course literature

"Nations and firms in the global economy - an introduction to international economics and business", Brakman, Garretsen, van Marreewijk och Witteloostuijn, senaste utgåvan/latest edition

Eventuellt tillkommer artiklar / Articles

## Examination

- INL1 - Assignments, 1.5 credits, grading scale: P, F
- TEN1 - Exam, 6.0 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.

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

## 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.