Module title: International Trade and the Multinational Firm
Abbreviation: 12-M-ITMF-141-m01

Module coordinator: holder of the Chair of International Macroeconomics
Module offered by: Faculty of Business Management and Economics

ECTS: 5
Method of grading: numerical grade
Duration: 1 semester

Contents:
Description: The course starts out with theories of international trade based on comparative advantage (Ricardo and Heckscher-Ohlin) followed by theories based on monopolistic and oligopolistic competition to explain intra-industry trade. The final part covers firm heterogeneity and multinational firms.

Outline of syllabus:
1. Structure of the lecture
2. Ricardian trade theory
3. Heckscher-Ohlin trade theory
4. The general neoclassical model
5. Sector-specific factors: the Ricardo-Viner model
6. New trade theory: intra-industry trade, increasing returns to scale and imperfect competition
7. Firm heterogeneity, trade and FDI
8. The multinational firm

Reading:
A detailed list of references with further references, journal articles in particular, will be provided with each chapter of the lecture.

Intended learning outcomes
The students acquire the ability to critically understand the causes and drivers of world trade and the developments of specialization patterns in the global economy. They learn to analyze, discuss and defend these developments and to apply the tools and methods to evaluate controversies associated with the ongoing deepening of the international division of labor, in particular the repercussions of the global economy on national economies.

Courses
V + Ü (no information on SWS (weekly contact hours) and course language available)

Method of assessment
a) written examination (approx. 60 minutes) or b) term paper (approx. 15 pages)
Language of assessment: German, English

Allocation of places
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Additional information
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<th>Referred to in LPO I</th>
<th>(examination regulations for teaching-degree programmes)</th>
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<tr>
<td>Master's degree (1 major) Media Communication (2014)</td>
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<td>Master's degree (1 major) Business Management (2014)</td>
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<td>Master's degree (1 major) Economics (2014)</td>
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