

**Short Course on Topics in International Trade: University of Guadalajara, August 25-September 4, 2008**

**Instructor: Professor Ian Sheldon (Ohio State University)**

**Topics and Reading:**

**(1) Market Structure and Trade Policy**

Brander, J.A. and B.J. Spencer, "Export Subsidies and International Market Share Rivalry", *Journal of International Economics* 18(1985): 83-100.

Dixit, A.K., "International Trade Policy for Oligopolistic Industries", *Economic Journal* 94(1984): 1-16.

Dixit, A.K., "Strategic Aspects of Trade Policy", in Bewley, T.F. (ed.), *Advances in Economic Theory: Fifth World Congress*, Cambridge, MA: Cambridge University Press (1987).

Eaton, J. and G. M. Grossman, "Optimal Trade and Industrial Policy under Oligopoly", *Quarterly Journal of Economics* 101(1986): 383-406.

Krishna, K., "Trade Restrictions as Facilitating Practices", *Journal of International Economics* 26(1989): 251-270.

**(2) Trade Wars and Trade Talks**

Grossman, G.M. and E. Helpman, "Protection for Sale", *American Economic Review* 84(1994): 833-850.

Grossman, G.M. and E. Helpman, "Trade Wars and Trade Talks", *Journal of Political Economy* 103(1995): 675-708.

**(3) Economics of the GATT/WTO**

Bagwell, K. and R.W. Staiger, "An Economic Theory of GATT", *American Economic Review* 89 (1999): 779-795.

Collier, P., "Why the WTO is Deadlocked: And What Can Be Done About It", *The World Economy* (2006): 1423-1449.

Krugman, P.R., "The Move Toward Free Trade Zones", in *Policy Implications of Trade and Currency Zones, A Symposium Sponsored by the Federal Reserve Bank of Kansas City*, Jackson Hole, WY (1991).

Krugman, P.R., "What Should Trade Negotiators Negotiate About?" *Journal of Economic Literature* 35(1997): 113-120.

#### **(4) Trade and Environmental Policy**

Bagwell, K. and R.W. Staiger, "The WTO as a Mechanism for Securing Market Access Property Rights: Implications for Global Labor and Environmental Issues", *Journal of Economic Perspectives* 15 (2001a): 69-88.

Bagwell, K. and R.W. Staiger, "Domestic Policies, National Sovereignty and International Economic Institutions", *Quarterly Journal of Economics* 116 (2001b): 519-562.

Copeland, B.R. and M.S. Taylor, "Trade, Growth, and the Environment", *Journal of Economic Literature* 42(2004): 7-71.

McCorriston, S. and I.M Sheldon, "Market Access and WTO Border Tax Adjustments for Environmental Excise Taxes under Imperfect Competition", *Journal of Public Economic Theory* 7 (2005): 579-592.

Sheldon, I.M., "Trade and Environmental Policy: A Race to the Bottom?" *Journal of Agricultural Economics* 57 (2006): 365-392

Ulph, A., "International Trade and the Environment: A Survey of Recent Economic Analysis", in Folmer, H. and Tietenberg, T. (eds.), *International Handbook of Environmental and Resource Economics*, Cheltenham: Edward Elgar (1997).

#### **Coursework:**

Write a critical review of **two** of the articles on reading list (5-10 pages per review) – feel free to refer to other articles in the literature in writing the reviews.