

Topics in International Economics and Growth Theory

SYLLABUS

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Why does income vary so much across countries, regions and workers? To answer this fundamental question, the recent literature relies on macroeconomic models disciplined by microeconomic evidence. The goal of this course is to study some of the most influential models combining differences in fundamentals, technology and spatial frictions. The final part will focus on the implications of technological progress, especially automation, and globalization on income distribution and the future of work.

Mode of assessment: Presentations by students.

1. Trade and Quantitative Spatial Models

Dornbusch R., S. Fischer and P. Samuelson (1977). "Comparative Advantage, Trade and Payments in a Ricardian Model with a Continuum of Goods" *American Economic Review* 823-839

Eaton, J. and S. Kortum (2002). "Technology, Geography and Trade" *Econometrica* 70, 1741-1779

Eaton, J. and S. Kortum (2012). "Putting Ricardo to Work" *Journal of Economic Perspectives* 26, 65-90

Krugman P. (1980). "Scale Economies, Product Differentiation, and the Pattern of Trade" *American Economic Review* 70, 950-59.

Redding S. and E. Rossi-Hansberg (2017). "Quantitative Spatial Economics" *Annual Review of Economics*, Vol. 9:21-58

2. Firm-level determinants of aggregate productivity

Baqee D. and E. Farhi (2020). "Productivity and Misallocation in General Equilibrium" *Quarterly Journal of Economics*, 135:1, 105–163

Bils M., P. Klenow and C. Ruane, (2021). "Misallocation or Mismeasurement?" *Journal of Monetary Economics*, Vol 124, S39-S56.

Bongiflioli A., R. Crinò and G. Gancia (2018). "Betting on Export: Trade and Endogenous Heterogeneity" *Economic Journal*, 128:609, 612–651

Bongiflioli A., R. Crino' and G. Gancia (2021). "Concentration in International Markets: Evidence from US Imports," *Journal of Monetary Economics* 121, 19-39.

Hsieh, C. and P. Klenow (2009) "Misallocation and Manufacturing Productivity in China and India" *Quarterly Journal of Economics* 124, 1403-1448

Melitz M. and S. Redding (2014) "Heterogeneous Firms and Trade" in Handbook of International Economics, G.Gopinath, E.Helpman and K.Rogoff eds.

Storesletten, K. and F. Zilibotti (2014). "China's Great Convergence and Beyond" *Annual Review of Economics*, 6, pp. 333-362

3. Economic growth and firm dynamics

- Aghion, P., U. Akcigit and P. Howitt (2014) "What Do We Learn From Schumpeterian Growth Theory?" in *Handbook of Economic Growth*, Vol 2B (P.Aghion and S.Durlauf, eds.)
- Arkolakis C. (2016). "A Unified Theory of Firm Selection and Growth," *Quarterly Journal of Economics*, 131(1), 89- 155
- Gancia G. and F. Zilibotti (2005). "Horizontal Innovation in the Theory of Growth and Development" in *Handbook of Economic Growth*, (P.Aghion and S.Durlauf, eds.)
- Klette, T. and S. Kortum (2004) "Innovating Firms and Aggregate Innovation" *Journal of Political Economy* 112, 986-1018
- Luttmer, E.G.J. (2010). "Models of Growth and Firm Heterogeneity," *Annual Reviews of Economics*, Vol. 2, 547-576
- Peters, M. (2020). "Heterogeneous Markups, Growth, and Endogenous Misallocation," *Econometrica* Vol 88(5), 2037-2073

4. Globalization, technology and labor market outcomes

- Acemoglu, D. and P. Restrepo (2020). "Robots and Jobs: Evidence from US Labor Markets", *Journal of Political Economy* 128(6): 2188-2244.
- Aghion P., B. Jones and C. Jones (2019). "Artificial Intelligence and Economic Growth," in Agrawal, Gans, and Goldfarb, *The Economics of Artificial Intelligence*.
- Autor, D., Dorn, D. and Hanson, G. (2013). "The China Syndrome: Local Labor Market Effects of Import Competition in the United States" *American Economic Review*, vol. 103, pp. 2121-2168.
- Autor, D. D. Dorn, G.H. Hanson, G. Pisano and P. Shu (2020). "Foreign Competition and Domestic Innovation: Evidence from U.S. Patents," *American Economic Review: Insights* 2:3, 357-74
- Bloom N., M. Draca and J. Van Reenen (2016). "Trade Induced Technical Change? The Impact of Chinese Imports on Innovation, IT and Productivity," *The Review of Economic Studies*, 83: 87-117
- Bongiflioli A., R. Crino', Fadinger H. and G. Gancia (2024). "Robot Imports and Jobs: Evidence from French Firms" *Economic Journal*, vol. 134-664, 3428–3444.
- Bonfiglioli, A., R. Crinò, G. Gancia and I. Papadakis (2022) "Robots, Offshoring and Welfare," in *Robots and AI: a New Economic Era* (eds. L. Yan Ing and G. M. Grossman), Routledge, pp. 40-81.
- Bonfiglioli, A., R. Crinò, G. Gancia and I. Papadakis (2024) "Artificial Intelligence and Jobs: Evidence from US Commuting Zones," CEPR DP 18495.