TOIPC; INTERNATIONAL TRADE

Description

In this final essay of 5-6 pages, the author will give an educated analysis of Trade, Immigration and Foreign Direct Investment according to the models and theories in Chapters 1-9, and discuss how good or bad are these three issues for the welfare of a country. All paragraphs must be well supported on the theories and facts that were examined in the book, and the book ONLY. Topics To Be Analyzed In The Paper -- 1. Patterns of Trade 1a. Apply the basic theory of trade and the model from David Ricardo, the key foundation of trade between countries. 1b. Apply and discuss the gravity model, the Heckscher-Ohlin model, and the specific factors model. Determine changes in wages, return on capital and welfare in each one of the models. 1.c Examine in a global way the role of migration between countries, foreign investment and its importance for world trade 2. Explanations for International Trade 2a. Analyze the effects of migration on output, wages and rental and determine the advantages and disadvantages of immigration between countries. 2b. Analyze and discuss the effects of foreign direct investment in the short and long run. 2c. Analyze and discuss trade in the context of a monopolistic competitive model. 3. International Trade Policies 3a. Analyze trade policy instruments: the role of Import tariffs and quotas, subsidies under perfect competition and imperfect competition. 3b. Analyze international trade agreements, and the role of the WTO.