

Globalisation, Trade, and Market Structure

Single subject and programme course

7.5 credits

Globalisering, handel och marknadsstruktur

730G90

Valid from:

Determined by

The Quality Board at the Faculty of Arts
and Sciences

Date determined

2015-05-22

Main field of study

Economics

Course level

First cycle

Advancement level

G1X

Course offered for

- Business and Economics Programme
- Business and Economics Programme - International - French
- Business and Economics Programme - International - German
- Business and Economics Programme - International - Spanish
- Bachelor´s Programme in Political science and economics

Entry requirements

Completed Economics, basic course comprising 30 ECTS credits with at least 15 ECTS credits approved, or equivalent.

Intended learning outcomes

After completion of the course the students should be able to:

- analyse the determinants of a firm's sourcing and globalisation processes, including different modes of foreign sourcing and market entries such as offshoring, export, captive and non-captive activities,
- understand the relationship between the firm and globalised markets, e.g. understand the interaction with global suppliers, international competition on prices, industrial structures and penetration of new foreign supply and export markets,
- apply microeconomic theory to the topic of globalisation of the value chain
- discuss various types of economic policy tools, price competition, growth, foreign direct investments etc. in the context of globalization
- understand the role of globalisation on economic growth and firm performance

Course content

The objective of the course:

The aim of the course is to acquaint students with the theory of international trade as well as to analyse selected topics of the up- and downstream activities of a firm, i.e. the value chain in a globalization context. The course provides the students with a deeper knowledge on microeconomic theory applied to the field of sourcing, international trade and globalisation. The students will be given an overview of the theory, of international trade and trading relations among countries as well as an introduction to the different kinds of considerations of a firm deciding to engage in foreign markets, such as ownership, location and internalisation of the value chain.

Main topics

The course deals with sourcing, international markets and globalisation in a theoretical as well as an empirical perspective. The students will be introduced to analytical tools that will give them a basis for conducting independent work on problems within the field. The course covers the following topics:

1. Theories on the driving forces behind international trade and specialisation.
2. Theories of why firms engage in foreign direct investments (FDI) and why some firms become multinationals.
3. The effects of outsourcing on domestic welfare.
4. The role of policy in the context of globalisation.
5. Theories on sourcing activities.
6. Effects of international trade on competition, prices and product-differentiated market structures.
7. Firms' globalisation processes and the different modes of foreign market entries.
8. The relationship between internationalisation, economic growth and the single firm's performance

Teaching and working methods

Classical lectures that might be combined with lectures held by guests from the private and/or public sector. Homework and independent study are a necessary complement to the course.

Examination

Written examination. Detailed information about the examination can be found in the courses study guide.

Grades

Three-grade scale, U, G, VG

Other information

Planning and implementation of a course must take its starting point in the wording of the syllabus. The course evaluation included in each course must therefore take up the question how well the course agrees with the syllabus. The course is carried out in such a way that both men's and women's experience and knowledge is made visible and developed.

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Department

Institutionen för ekonomisk och industriell utveckling