

4th Trade Policy Course

Dr. Hendrik Kruse

The 4th Trade Policy Course at TBS was organized during May 11/12/13, 2018: Dr. Hendrik Kruse from Gottingen University gave an intensive course on advanced gravity models using STATA for junior (master and PhD students) and senior researchers.

Program:

- 1) Basic introduction to the idea of Gravity
- 2) Micro-foundations (Anderson and van Wincoop 2003) and the role of relative trade costs
- 3) Relevant Trade data
- 4) Estimation of simple (cross-sectional gravity equation) in Stata
- 5) Gravity with tariffs
- 6) Estimating ad-valorem tariff equivalents of non-tariff barriers using gravity
- 7) The problem of unobserved trade costs/endogeneity of trade policy variables
- 8) Short introduction to Panel Data Econometrics (Fixed effects versus Random Effects)
- 9) Estimating gravity using Panel Data techniques
- 10) The issue of zero trade flows: Theoretical background and empirical implementation
- 11) Heteroskedasticity and the PPML estimator
- 12) Yotov's solution to the distance puzzle and the role of intranational trade
- 13) Outlook: General equilibrium Analysis using Gravity