

Thesis ideas, 2018-19 Christian Elleby

Supervisor key words:

- International trade
- Commodity markets
- Agricultural and food policy

Master thesis ideas:

- 1) **Calculating welfare impacts of trade policy using a “New Quantitative Trade Model” (NQTM).** Welfare impacts of trade policies are typically evaluated with either simple partial equilibrium models or very complex applied general equilibrium models a la GTAP. So called “New Quantitative Trade Theory” (NQTT) based on the gravity equation is a more recent framework for evaluating trade liberalizations at a sectoral level. How do predicted impacts of various policy experiments based on the NQTM framework compare with those based on the GTAP model?
- 2) **Analysis of quality and trade.** There are not many studies that look into the empirics of quality in trade. High quality goods are those with “high” trade prices typically proxied by unit values. Empirical questions of interest include: How has Denmark’s export of high quality goods developed over time? Which sectors are exporting mostly high quality goods? And what are the determinants of a country’s export and import quality composition? What does economic theory have to say about these questions?
- 3) **The trade war between US and China.** What are the trade and welfare impacts of the Chinese retaliatory tariffs on imports of soy and other key agricultural commodities? This could be analyzed with a partial or general equilibrium model or the gravity model.