PROPOSAL: STAGGERED ADJUSTMENT AND TRADE DYNAMICS

Professor Costas Arkolakis (costas.arkolakis@yale.edu)

This project is to study the response of trade to changes in trade costs and exchange rate fluctuations. It aims to understand these changes at short and long horizons. The student will be asked to solve systems of difference equation in matlab. The project requires a good knowledge of matlab used in numerically solving non-linear equations. The student will be also asked to work with a panel of annual trade and production data.