

International Trade

Biwei Chen

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Office: 1017 Milstein

Hours: F10:00-12:00

[Add Email Subject BC3047](#)

Prerequisite

Intermediate Microeconomics

Meetings

M&W 2:40-3:55 PM. Milbank 202.

Description

This course overviews the global trade history and patterns, introduces the underlying international trade theories, and examines trade policies and institutions. Lectures focus on economic intuition behind the models and their real-world implications. Topics cover patterns and trends in world trade, classical/neo-classical/modern trade theories and models, labor and capital movements across countries, trade policy and instruments, international labor and environment standards.

Objectives

The main goal is to develop analytical framework for understanding international trade patterns and trade policy issues. After completing this course, students should be able to

- Sketch a broad picture of the world trade history, evolution, and economic thought
- Identify the causes and driving forces behind the world trade patterns and trends
- Master key concepts, theories, models, and empirical findings in international trade
- Analyze common trade policy instruments and their welfare effects
- Acquire essential computer skills in analyzing international trade data
- Participate in research-based trade policy debates and presentations

Textbooks

Robert Feenstra and Alan Taylor, 2017, *International Trade*, 4th Edition, ISBN-10: 1-319-06173; ISBN-13: 978-1-319-06173-9, Worth Macmillan. Earlier edition also suffices.

Website

Please follow the website for course logistics <https://sites.google.com/site/19bc3047> Lecture slides, assignments, readings, data links, debate instructions, and useful learning materials will be posted and updated throughout the course. Lecture slides will generally be posted and updated every week before Monday's class. I will also provide additional handwritten notes in the lecture. If you miss a lecture, please find a classmate who attended class to fill in the blanks.

Evaluation

- 1) Problem sets (20%)
 - 2) Trade policy debate (10%)
 - 3) Midterm and final exams (each 35%)
- Problem sets will be assigned roughly every two to three weeks. Students can discuss questions but must submit independent solutions. Assignment deadlines are firm. Recognizing that students may face unusual circumstances, one late assignment is allowed and will not be penalized. However, late assignments will not be accepted three days (72 hours) after the due date.
 - Midterm and Final Exams. Exams will not be rescheduled because of travel and other personal arrangements. In the case of a documented emergency on the scheduled exam date, a make-up exam will be given, or the weight of the missed midterm will be shifted to the final exam, given the proof is received within 48 hours of the exam.

Public Policy Debates. Registered students are required to form groups and participate into one policy debate. For details and instructions, please follow course website [Projects](#) page.

Topics include

“Should countries favor free trade or protectionism?”

“Did U.S. benefit from its trade policy?”

“Should all countries follow international labor and environment standards?”

- Extra credit. Please arrive on time and refrain from texting or browsing the Internet in the lecture. A maximum of 5 points will be offered to students who are willing and able to show extra efforts in their course works (e.g., in-class quizzes, participation, compiling and sharing lecture notes).

It is important for students to provide feedback in time throughout the course to ensure positive learning and teaching experience. If students have trouble keeping up with the class material or the workload, please feel free to contact the instructor. It is the instructor's responsibility to support students to make progress and succeed in the course. Students are strongly encouraged to 1) raise questions and participate in the lecture; 2) provide feedback and suggestions regarding teaching and course organization; 3) solve problem sets and conduct research together; 4) improve the learning and teaching outcomes.

Schedule (Tentative)

Date	Key Topics	Chapters
Jan 23 W Jan 28 M	Course Logistics & Introduction to International Economics An Overview of World Trade Facts and Patterns	Syllabus Ch1
Jan 30 W Feb 04 M	Ancient Trade & Mercantilism: History and Economic Thought Classical View of International Trade I: Absolute Advantage Theory	Ch1 Ch2
Feb 06 W Feb 11 M	Classical View of International Trade II: Comparative Advantage Theory Resource Allocation and Income Distribution in the CA Model	Ch2
Feb 13 W Feb 18 M	Income Distribution in the Specific Factor Model Earnings of Labor, Capital, and Land	Ch3
Feb 20 W Feb 25 M	Neo-classical View of International Trade: Heckscher-Ohlin Model Factor Endowment, Factor Intensity, and Inter-Industry Trade	Ch4
Feb 27 W Mar 4 M	Resource Allocation and Income Distribution in the H-O Model Empirical Evidence on the H-O Model: the Leontief Paradox	Ch4
Mar 6 W Mar 11 M	<i>Debate: Should Countries Favor Free Trade or Protectionism?</i> Labor and Capital Movements: Short-run and Long-run Analysis	Ch5
Mar 13 W Mar 25 M	Labor and Capital Movements: Gains from Immigration and FDI Review and Midterm Exam	
Mar 27 W Apr 01 M	New Trade Theory: Monopolistic Competition and Intra-Industry Trade	Ch6
Apr 03 W Apr 08 M	Trade Policy Analysis I: Tariff <i>Debate: Did U.S. benefit from its Trade Policy?</i>	Ch8.3&8.4 Ch10.5
Apr 10 W Apr 15 M	Trade Policy Analysis II: Quota and Voluntary Export Restraint	Ch8.5 Ch10
Apr 17 W Apr 22 M	Trade Policy Analysis III: Export and Production Subsidies	Ch10.2 &3 Ch10.4
Apr 24 W Apr 29 M	Trade Policy under Imperfect Competition	Ch9
May 1 W May 6 M	International Trade Agreements: Labor and the Environment Standards <i>Debate: Should All Countries Follow International Trade Standards?</i>	Ch11
May 13 M	Final Exam	

Barnard Economics Resources

<https://barnard.libguides.com/ECON> (General guide to economic research)

<https://library.barnard.edu/profiles/Jennie-Correia> (Personal librarian website)

<https://economics.barnard.edu/economics-help-room> (Barnard Economics Tutoring)

Student Wellness

It is important for undergraduates to recognize and identify the different pressures, burdens, and stressors you may be facing, whether personal, emotional, physical, financial, mental, or academic. We as a community urge you to make yourself--your own health, sanity, and wellness--your priority throughout this term and your career here. Sleep, exercise, and eating well can all be a part of a healthy regimen to cope with stress. Resources exist to support you in several sectors of your life, and we encourage you to make use of them. Should you have questions about navigating these resources, please visit these sites:

<http://barnard.edu/wellwoman/about>

<http://barnard.edu/primarycare>

<http://barnard.edu/counseling>

[Stressbusters Support Network](#)

Honor Code

All exams and assignments in this class are to be completed in accordance with the Barnard Honor Code. Columbia students commit themselves to the Honor Code upon registering for a Barnard course. “We, the students of Barnard College, resolve to uphold the honor of the College by refraining from every form of dishonesty in our academic life. We consider it dishonest to ask for, give, or receive help in examinations or quizzes, to use any papers or books not authorized by the instructor in examinations, or to present oral work or written work which is not entirely our own, unless otherwise approved by the instructor. We consider it dishonest to remove without authorization, alter, or deface library and other academic materials. We pledge to do all that is in our power to create a spirit of honesty and honor for its own sake.”

Special accommodations will be given to students with disabilities. Please register in advance with the Office of Disability Services (ODS) in 105 Hewitt for test or classroom accommodations.