

International Economic Issues Workbook

The Fun Stuff About Trade

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Course Objectives

This is a companion book I've written for my EC 380 International Trade course. EC 380 is an introductory course to international economics undergraduates. I do not expect us to become experts in the field in just 10 weeks.

The goal is to give you enough knowledge that you can spot the bullshit when you read the news, listen to a podcast, or talk with someone. The goal is to make you comfortable with talking about the complexity of international economics.

Ideally, by the end of the course you will have:

- Understood what comparative advantage means for international trade
- Understood why countries specialize and trade
- Understood why trade is generally good, and understand how it can be bad

International Market Game

What better way to learn than to play a game?

Throughout the term we will create our own international economy. The objective is to experience what markets do and how different agents make decisions. The theory will teach us what ***should*** happen, but theory is just theory.

We will test theory and learn by doing.

Activity based on https://economicsnetwork.ac.uk/showcase/sloman_game

Part I

Game Structure

Rules

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Groups

Country 1	Country 2	Country 3	Country 4	Country 5
Student 1	Student 8	Student 15	Student 22	Student 29
Student 2	Student 9	Student 16	Student 23	Student 30
Student 3	Student 10	Student 17	Student 24	Student 31
Student 4	Student 11	Student 18	Student 25	Student 32
Student 5	Student 12	Student 19	Student 26	Student 33
Student 6	Student 13	Student 20	Student 27	Student 34
Student 7	Student 14	Student 21	Student 28	Student 35

Country 6	Country 7	Country 8	Country 9	Country 10
Student 1	Student 8	Student 15	Student 22	Student 29
Student 2	Student 9	Student 16	Student 23	Student 30
Student 3	Student 10	Student 17	Student 24	Student 31
Student 4	Student 11	Student 18	Student 25	Student 32
Student 5	Student 12	Student 19	Student 26	Student 33
Student 6	Student 13	Student 20	Student 27	Student 34
Student 7	Student 14	Student 21	Student 28	Student 35

1 Autarky

2 Introducing Trade

3 Endowment Shocks

4 Tariffs

5 Exchange Rates

References