

## Syllabus (2019-Summer)

Course Title	International Trade	Course No.	22213
Department/ Major	Graduate School of International Studies	Credit	3
Class Time/ Classroom	TBA		
Instructor	Prof. Jinhwan Oh	Department: GSIS	
Office Hours/ Office Location	E-mail: <a href="mailto:joh@ewha.ac.kr">joh@ewha.ac.kr</a>	Telephone: 3277-6697	
	TBA / 313 Graduate School Building		

### 1. Course Description

Why do nations trade? What determines the pattern of trade? Who gains from trade? This course first investigates the reasons and determinants of trade using well-established theories in the field. Even though most of these theories assume free trade environments, there are a variety of restrictions in the real world. Some people say that these restrictions ought to be lifted, but other people argue the opposite. In this normative perspective, this course examines policies that intend to promote or regulate international trade. Finally, current international trade agreements (bilateral and multilateral) and trade-related organizations, particularly the WTO, will be reviewed. Background of basic microeconomics is not a prerequisite, but will be preferred.

### 2. Prerequisites

Basic background on microeconomics as well as a decent understanding of high school level mathematics. You can take this course without these prerequisites, but it is your own responsibility to catch up with important materials.

### 3. Course Format: Lecture

### 4. Evaluation System

Quizzes	Final	Attendance
X%	95-X%	5%

There will be several quizzes throughout the course, 10% for each. Quiz will be conducted in the beginning of class for about 30 minutes. Questions are straightforward for those who understand basic concepts from previous classes. A prior notice will be made. The final exam is cumulative, covering all the lectures and quiz questions. More detailed explanations will be made in the middle of class. If, for example, there are 5 quizzes, quiz will count 50% of grade, and final exam will count 45%.

## 5. Course Materials and Readings

- ➔ **Feenstra, Robert and Alan Taylor. *International Trade or International Economics* (any edition). In case you cannot find this book, a scanned copy of selected chapters will be provided under the permission of the publishing company. Will announce more in detail in the first class.**
- Articles on Free Trade Agreements and World Trade Organization (will be updated).
  - Chang, Ha-joon (2008). *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism*.
  - Buchholz, Todd. *New Ideas from Dead Economists*.
  - Several journal articles, including Krugman, P. (1979) “Increasing Returns, Monopolistic Competition, and International Trade” *Journal of International Economics* 9
  - Krugman, P. (1980) “Scale Economies, Product Differentiation, and the Pattern of Trade” *American Economic Review* 70 (5)
  - Krugman, P. (1991) “Increasing Returns and Economic Geography” *Journal of Political Economy* 99 (3)
  - McCallum, J. (1995) “National Borders Matter: Canada-U.S. Regional Trade Pattern” *American Economic Review* 85 (3)
  - Oh, J. and Kyi Cin Thant (2016) “Impact of Myanmar’s Trade Liberalization on the Country’s International Trade Environments: A Gravity Approach” *Applied Econometrics and International Development* 16 (2)
  - Oh, J. and Wenjun Zhong (2016) “How to Attract More Tourists to Korea? Possible Collaborations with China” *Asia Pacific Management Review* 21 (4)
  - Economist (Apr. 6, 2016) “How Donald Trump’s Squeeze on Immigrants Will Backfire?”
  - Economist (Sep. 29, 2016) “Immigration: Needed But Not Wanted”
  - Economist (Jan 12, 2017) “The Big Mac Index”

## Course Schedule

Week	Topics & Class Materials, Assignments
<b>Day 1</b>	Course introduction and history of international trade; Ricardian Model
	Ch. 1, 2
<b>Day 2</b>	Ricardian Model
	Ch. 2
<b>Day 3</b>	Specific Factors Model
	Ch. 3; Up-to-date media reports on bilateral FTAs
<b>Day 4</b>	Hecksher-Ohlin Model
	Ch. 4
<b>Day 5</b>	Movement of labor and capital between countries
	Ch. 5; Articles on immigration and FDI
<b>Day 6</b>	New Trade Theory (Increasing returns to scale and monopolistic competition)
	Ch. 6; Journal articles
<b>Day 7</b>	Offshoring, home market effect, firm Heterogeneity
	Ch. 7
<b>Day 8</b>	Trade policies (tariff, quota, and subsidy)
	Ch. 8, 9
<b>Day 9</b>	Strategic interactions and game theory in international trade
	Ch. 10
<b>Day 10</b>	International agreement and WTO (History and 3 Remedies)
	Ch. 11; WTO articles
<b>Day 11</b>	Topics in trade (rules of origin, debates on trade)
	WTO articles; Bad Samaritans
<b>Day 12</b>	Trade and development (growth, poverty, inequality, AfT, empirical approach)
	Journal articles; computer exercises
<b>Day 13</b>	Macro-approach of trade
	Ch. 12-18, Articles
<b>Day 14</b>	Final Exam
<b>Day 15</b>	Course wrap-up and Exam handout

## **Special Accommodations**

According to the University regulation #57, students with disabilities can request special accommodation related to attendance, lectures, assignments, and/or tests by contacting the course professor at the beginning of semester. Based on the nature of the students' requests, students can receive support for such accommodations from the course professor and/or from the Support Center for Students with Disabilities (SCSD).

\* The contents of this syllabus are not final—they may be updated.