

ECON 181-10: International Trade Theory and Policy

Syllabus

Spring 2007

1. Course Information

Meeting time: TR: 2:20 – 3:35 pm

Classroom: 2020 K 14

Website: <http://home.gwu.edu/~xchen>

Prerequisites: ECON 11 and ECON 12

2. Instructor Information

Instructor: Maggie Xiaoyang Chen

Office: Old Main 223

Email: xchen@gwu.edu

Phone: (202) 994-0192

Office hours: TR: 9:30 – 11:00 am and by appointment

3. Textbook

Required: Appleyard, Field, and Cobb: *International Economics*, 5th edition, 2005.

The lectures will roughly follow the textbook, but sometimes the lectures will go beyond what is covered in the text. Conversely, the lectures often will not cover everything that is in the assigned chapter. The exams will be based on the class lectures. Therefore, attending classes and taking good notes is very important.

I also highly recommend you to read *The Economist* and *Financial Times* and visit the websites of international organizations such as the WTO (<http://www.wto.org>) and World Bank (<http://www.worldbank.org>) for important information and news in the field of international trade.

4. Brief Course Description

In this study of international trade, we explore a series of important trade issues, including but not confined to: What is the basis for trade? What are the effects of trade? Who will gain from trade? How is the value and volume of trade determined? What factors impede trade flows? And what is the impact of public policy that attempts to alter the patterns of trade? In addition to addressing the conventional trade topics, we will also discuss issues that are currently under debate and relate theories to real applications.

The basic outline of the course is:

Chapter 1: The World of International Economics

Chapter 2: Early Trade Theories

Chapter 3: The Ricardian Model and Comparative Advantage

Chapter 4: Introduction of Neoclassical Trade Theory

Chapter 5: Gains from Trade

Chapter 6: Offer Curves and The Terms of Trade

Chapter 7: The Basis for Trade — Factor Endowments and the Heckscher-Ohlin Model

Chapter 8: Post-Heckscher-Ohlin Theories of Trade and Intra-Industry Trade

Chapter 9: Economic Growth and International Trade

Chapter 10: International Factor Movements

Chapter 11: The Instruments and Impact of Trade Policy

5. Grading

There will be one midterm and one final exam, each contributing to 40% of your final grade. The rest of your final grade comes from your performance in homework and class participation. You can earn extra credits by attending classes, contributing to the discussion in class, and solving practice questions.

Midterm: 40%

Final: 40%

Homework and class performance: 20%

6. Policies

There is no make-up for any exam unless there is a proven emergency that prevents you from attending class on the scheduled exam or quiz date. You are required to submit proof of the emergency. Late homework is also not accepted unless there is a reason qualified as a proven emergency.

For the university code of academic integrity, see www.gwu.edu/~ntegrity/code.html. Plagiarism is not allowed. This means that you cannot copy anyone else's work and pass it off as your own. Each person must turn in assignments that are the fruit of his/her own sincere efforts.