ECON916
International Trade

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Instructor Contact Details

Lecturer-in-charge: TBA

Email: wlwyxy_29@zju.edu.cn

Office location: Huajiachi Campus, Zhejiang University

Consultation Time: to be announced, and by appointment

Teaching Times, Modes and Locations

The Time: TBA

Modes: Online/Face-to-face

Location: Anywhere via online/Huajiachi Campus, Zhejiang University via face-to-face

Academic Level

Postgraduate

Units of Credit

The course is worth 6 units of credit

Credit Hours

The number of credit hours of this course equals to the credits of a standard semester-long Australian university course.

Contact Hours

The course contains a total of 53 contact hours, which consists of orientation, lectures, seminars, quiz, discussion, research, case study, small tests, assignments, on-site field trip(s), in-class and after-class activities, revision and final exam. Students will receive an official transcript which is issued by Zhejiang University when completing this course.

Course Description:

The broad aim of the course is to give students an increased awareness of current issues in international trade and a framework for thinking about international trade policy. It reviews models of international trade, starting with the Ricardian model and concluding with the new trade models. It also examines international trade policies through reference to relevant case studies. Its main objective is to help students develop a comprehensive understanding on major trade issues around the world and the effects of globalization on trade. It focuses on analysing the gains from trade, the changing patterns of trade, the income distributional consequences of liberalising foreign trade, the relationship between trade, investment, and economic growth, and the reasons for and consequences of trade policies.

Prerequisite:

Prior knowledge in fundamental Microeconomics subjects is required for taking this course.

Learning Resources

1. Krugman, P, Obstfeld, M & Melitz, M 2018, International Trade: Theory and Policy, 11th ed, Pearson.

2. Salvatore, Dominick (2012), Introduction to International Economics, Third Edition, John Wiley and Sons.

Learning Objectives

By the end of this course you should be able to:

・Compare at the level of formal analysis, the major models of international trade and be able to distinguish between them in terms of their assumptions and economic implications.

・Employ the principle of comparative advantage and its formal expression and interpretation within different theoretical models.

・Apply partial equilibrium and (where required) general equilibrium models in analysing the economic effects of (a) trade policy instruments such as tariffs, quotas, export

subsidies, (b) retaliatory measures such as anti-dumping duties and countervailing duties and (c) the creation of regional trading arrangements such as free trade areas, customs unions and common market.

・Distinguish and critically analyse the main arguments for protection and conversely be able to critically evaluate the relevance and realism of arguments for free trade, taking into account the costs and benefits of trade policy measures on different sections of the community and the implications for the formulation of trade policy.

・Identify major recent developments in the world trading system, and be able to critically analyse key issues raised both by the current round of WTO negotiations and by the spread of regional trading arrangements.

・Develop communications skills through the presentation of your work, interactions during tutorial sessions, and appropriate use of the discussion board.

Course Delivery:

- Online Lecture mode includes lectures, seminars, quiz, discussion, research, case study, small tests, assignments, online field trip(s), in-class activities, revision and final exam.
- Face-to-face Lecture mode includes lectures, seminars, quiz, discussion, research, case study, small tests, assignments, on-site field trip(s), in-class and after-class activities, revision and final exam.

The following course will be taught in English. There will also be guest speakers and optional field trips available for students who would like to enhance their learning experience. All courses and others sessions will be run during weekdays.

Topics and Course Schedule:

Topic	Activities
Orientation	

Introduction of Global Economy: The gains from trade	Lecture; Tutorial
The Ricardian Model	Lecture; Tutorial
The Specific Factors Model	Lecture; Tutorial
The Heckscher-Ohlin Model	Lecture; Tutorial
Trade policy **Trade Protection policies; Strategic Trade Policy; the political economy of trade**	Lecture; Tutorial
Seminar	
Distributional effects of trade on developed economies **Economies of Scale, Imperfect competition and Trade**	Lecture; Tutorial
The Global Economy and Foreign Direct Investment **International factors movements**	Lecture; Tutorial
Seminar	
Trade Blocs **Trade agreements; motives behind trade disputes**	Lecture; Tutorial
International Trade and Exchange Rate Movements **Exchange Rate fluctuations; social responsibility and ethical concerns**	Lecture; Tutorial
Imperfect Competition, Increasing Returns and Strategic Trade Polic	Lecture; Tutorial
Preferential Trade Areas	Lecture; Tutorial
Trade restrictions **Tariffs and nontariff barriers**	Lecture; Tutorial

Administered Protection	Lecture; Tutorial
Revision	
Final exam	

Assessments:

Class Participation	10%
Research and case study	10%
In class test	15%
Assignment	15%
Final exam	50%

Grade Descriptors:

HD	High Distinction	85-100
D	Distinction	75-84
Cr	Credit	65-74
P	Pass	50-64
F	Fail	0-49

High Distinction 85-100

Treatment of material evidences an advanced synthesis of ideas

Demonstration of initiative, complex understanding and analysis

Work is well-written and stylistically sophisticated, including appropriate referencing, clarity,

and some creativity where appropriate

All criteria addressed to a high level

Distinction 75-84

Treatment of material evidences an advanced understanding of ideas

Demonstration of initiative, complex understanding and analysis

Work is well-written and stylistically strong

All criteria addressed strongly

Credit 65-74

Treatment of material displays a good understanding of ideas

Work is well-written and stylistically sound, with a minimum of syntactical errors

All criteria addressed clearly

Pass 50-64

Treatment of material indicates a satisfactory understanding of ideas

Work is adequately written, with some syntactical errors

Most criteria addressed adequately

Fail 0-49

Treatment of ideas indicates an inadequate understanding of ideas

Written style inappropriate to task; major problems with expression

Most criteria not clearly or adequately addressed

Academic Integrity

Students are expected to uphold the university's academic honesty principles which are an integral part of the university's core values and principles. If a student fails to observe the acceptable standards of academic honesty, they could attract penalties and even disqualification from the course in more serious circumstances. Students are responsible for knowing and observing accepted principles of research, writing and any other task which they are required to complete.

Academic dishonesty or cheating includes acts of plagiarism, misrepresentation, fabrication, failure to reference materials used properly and forgery. These may include, but are not limited to: claiming the work of others as your own, deliberately applying false and inaccurate information, copying the work of others in part or whole, allowing others in the course to copy your work in part or whole, failing to appropriately acknowledge the work of other scholars/authors through acceptable referencing standards, purchasing papers or writing papers for other students and submitting the same paper twice for the same subject.

This Academic Integrity policy applies to all students of the Zhejiang University in all programmes of study, including non-graduating students. It is to reinforce the University's commitment to maintain integrity and honesty in all academic activities of the University community.

<u>Policy</u>

- The foundation of good academic work is honesty. Maintaining academic integrity upholds the standards of the University.
- The responsibility for maintaining integrity in all the activities of the academic community lies with the students as well as the faculty and the University. Everyone in this community must work together to ensure that the values of truth, trust and justice are upheld.
- Academic dishonesty affects the University's reputation and devalues the degrees offered.
- The University will impose serious penalties on students who are found to have violated this Policy. The following penalties may be imposed:
    - Expulsion;
    - Suspension;
    - Zero mark/fail grade;
    - Marking down;
    - Re-doing/re-submitting of assignments or reports; and
    - Verbal or written warning.