

Course Syllabus
International Trade, ECON-450
University of Southern California
Fall 2014

Professor: Joshua Aizenman, Dockson Chair in Economics and International Relations
Email: aizenman@usc.edu
Office: VKC 314
Office hours: M W 12:00 - 1:00 pm, and by appointment
Class Time: M W 10:00 - 11: 50 am
Location: SOS B 46
Course TA: Bahar Kartalciklar, kartalci@usc.edu
TA's office hour: W 1 – 3 pm, KAP 363

Course Relevance and Description

The course covers the theory and practice of international production and trade, aiming at understanding world trade, international factor movements [migration, guest works, multinationals and foreign direct investment, outsourcing, etc.], trade policy, trade agreements, trade conflicts, and case studies of recent patterns of international trade.

Learning Objectives

- I. Gaining understanding of the economic forces explaining the patterns and the effects of international trade, trade networks, foreign direct investment (FDI); and international factor movements.
- II. Acquiring understanding of the impact of the global crisis of 2007-8 and current events on patterns of international trade, Foreign Direct Investment, trade frictions, and policies dealing with international trade and investment.

Course Requirements and Grading

Summary of Requirements:

20 % Class exam I (September 22)
25 % Class exam II (October 29)
50 % Final exam Monday, December 15, 8 -10 am
5 % Class participation and instructor prerogative (includes participation in class discussions, problem sets, attendance, preparedness for class, professional and courteous behavior, etc.)

Final Exam (During the time scheduled by the university/closed book) - The final exam will include multiple choice, short essay response, and a longer essay question. It will cover material from the entire course, with a greater focus on the second half of the course. The exam will cover all course activities [lectures, class discussions, guest speakers, homework assignments, and assigned readings].

Required Texts: Krugman, Obstfeld & Melitz, *International Trade, Theory and Policy*, STUDENT VALUE EDITION, 10/E. (Required) ISBN: 9780133427493

Course outline: The following is roughly our weekly plan for the course.

Week 1	August 25/27	Chapter 1 - Introduction; Chapter 2 - World Trade: An Overview
Week 2	September 3	Chapter 2, Q&A . Chapter 3 - Labor Productivity and Comparative Advantage: The Ricardian Model
WEEK 3	September 8/10	Chapter 3, Q&A . Chapter 4 - Specific Factors and Income Distribution
WEEK 4	September 15/17	Chapter 4 - Specific Factors and Income Distribution, Review
Week 5	September 22	EXAM I (Chapters 1 – 4)
	September 24	Chapter 5 - Resources and Trade: The Heckscher-Ohlin Model
Week 6	Sep. 29 /October 1	Chapter 5, Chapter 6 - The Standard Trade Model
Week 7	October 6/8	Chapter 6, Chapter 7 - External Economies of Scale and the International Location of Production
Week 8	October 13/15	Chapter 7, Chapter 8 - Firms in the Global Economy: Export Decisions, Outsourcing, and Multinational Enterprises
Week 9	October 20/22	Chapter 8, Chapter 9 - The Instruments of Trade Policy
Week 10	October 27	Chapter 9, and review
	October 29	Exam II (chapters 5 - 9)
Week 11	November 3/5	Chapter 9, Chapter 10 - The Political Economy of Trade Policy
Week 12	November 10/12	Chapter 10, Chapter 11 - Trade Policy in Developing Countries
Week 13	November 17/19	Chapter 11, Chapter 12 - Controversies in Trade Policy
Week 14	November 24	Chapter 12
Week 15	Chapter 12 and overview	

FINAL EXAM [official university time]

Americans with Disabilities Act

The University of Southern California is committed to providing equal educational opportunities for qualified students with disabilities in accordance with state and federal laws and regulations. The Disability Services and Programs Office (DSP) is responsible for coordinating services for students with disabilities. Decisions about accommodations for students with disabilities are made on an individual basis by DSP. *It is the student's responsibility to contact DSP to request accommodation as early as possible in the semester.* Any student requesting academic accommodations based on a disability is required to register with Disability Services Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to Professor Atkinson as early in the semester as possible. DSP is located in STU 301 and is open 8:30am-5:00pm, Monday through Friday. The phone number for DSP is (213) 740-0776.

Make-up Requirements

*Acceptable excuses, meaning medical or family emergencies and official university-related business, must be provided to Professor Aizenman in person, in writing, or by email to aizenman@usc.edu, and in writing afterwards. **There will be NO make-up assignments for unexcused absences.** There will be no make-up for the two in class exams, September 22, October 29. If you do have an excused absence, then your final exam will count for a higher percentage of your final course grade.*

Policy on Academic Ethics and Honesty

Exams are expected to be the original work of each student. Plagiarism will not be tolerated and will result in both administrative action and a failing grade for the course. Any violation of the USC rules as articulated in SCampus will result in an F for the class.

Technology in the Classroom

Please turn-off your cell phone prior to the start of class. NO CELLPHONES should be used during class; that means no texting, tweeting, surfing, or anything else. You will be asked to leave the course for the day if you are using your phone. **YOU MAY USE COMPUTERS FOR NOTETAKING ONLY.** If you will be taking notes on your laptop, you should sit in the back of the classroom or on the side edges - this way your typing will not be distracting for other students.