

International Trade

General Information	<p>Lecturer: Cheng Ming Credit Points: 4 Total Hours: 45 Mode of Presentation: Lectures and Tutorials Students: Sino-U.S. project students Prerequisite: Economics Course Text: International Economics - Theory and Policy, 5th edition, by Paul R. Krugman/Maurice Obstfeld References: Rethinking International Trade, Paul R. Krugman (Massachusetts Institute of Technology) International Trade, 2nd edition, X.S. Yin (Fudan University Press) Examination Method: Group Presentation, 2-hour written final exam/or individual end-of-term paper</p>
Course Objectives	<p>International Trade is a basic course for students in international business. The subject is divided into two parts: basic international trade theories first, and then relevant government policies are dealt with. This course emphasizes the study of bilateral trade relations between China and the United States.</p>
Course Assessment	<p>Grading Policy: Class attendance: 10% Group Report: 20% Final Exam: 70%</p>
Course Syllabus and Outline	<p>Chapter 1: Labor Productivity and Comparative Advantage: The Ricardian Model</p> <ol style="list-style-type: none"> 1. The Concept of Comparative Advantage 2. One-Factor Economy 3. Trade in a One-Factor World 4. Misconceptions about Comparative Advantage 5. Empirical Evidence on the Ricardian Model <p>Chapter 2: Specific Factors and Income Distribution</p> <ol style="list-style-type: none"> 1. The Specific Factors Model 2. International Trade in the Specific Factors Model 3. Income Distribution and the Gains from Trade 4. The Political Economy of Trade: A Preliminary Review <p>Chapter 3: Resources and Trade: The Heckscher-Ohlin Model</p> <ol style="list-style-type: none"> 1. A Model of a Two-Factor Economy 2. Effects of International Trade Between Two-Factor Economies 3. Empirical Evidence on the H-O Model

Chapter 4: The Standard Trade Model

1. A Standard Model of Trading Economy
2. International Transfers of Income
3. Tariffs and Export Subsidies

Chapter 5: Economies of Scale, Imperfect Competition, and International Trade

1. Economies of Scale and International Trade: An Overview
2. Economies of Scale and Market Structure
3. The Theory of Imperfect Competition
4. Monopolistic Competition and Trade
5. Dumping
6. The Theory of External Economies
7. External Economies and International Trade

Chapter 6: International Factor Movements

1. International Labor Mobility
2. International Borrowing and Lending
3. Direct Investment and Multinational Firms
4. U.S. FDI in China

Chapter 7: International Trade Policy

1. Basic Tariffs Analysis
2. Costs and Benefits of a Tariff
3. Other Instruments of Trade Policy
4. The Effects of Trade Policy: A Summary
5. Brief Introduction of Tariff and Nontariff Policies in China

Chapter 8: The Political Economy of Trade Policy

1. The Case for Free Trade
2. National Welfare Arguments Against Free Trade
3. Income Distribution and Trade Policy
4. International Negotiations and Trade Policy

Chapter 9: Globalization and World Trade Organization

1. Globalization and its Drivers
2. GATT and Trade Liberalization
3. WTO and China

Chapter 10: Regional Economic Integration and Economic

	<p>Cooperation</p> <ol style="list-style-type: none"> 1. Basic Theories of Regional Economic Integration 2. Basic Forms of Regional Economic Integration 3. Development of Regional Economic Integration - NAFTA; EU 4. Regional Economic Integration and China - APEC; CAFTA <p>Chapter 11: Hot Issues in Sino-U.S. Trade Relations</p> <ol style="list-style-type: none"> 1. Market Accession - China's Trade Surplus Issue 2. Financial Sector Liberalization in China 3. Enhancing the World's Energy Safety 4. Environmental Protection and Sustainable Development
Prepared By	<p>Dept. of International Economics and Trade, College of International Business and Management, Shanghai University Cheng Ming, June 3, 2007</p>
Teacher	<p>Cheng Ming is a professor in the Dept. of International Economics and Trade at Shanghai University's College of International Business and Management. She has research expertise on Chinese and international economies. In addition, she also has experience educating international students and has participated in several academic conference. She is a published author and has been teaching at Shanghai University for years.</p>