

Econ 3610: International Trade Spring 2021

Syllabus

Lecture Schedule: Fri 8:30AM - 11:15AM, Jan 15-Apr 23, Online lecture
Zoom Meeting ID: 981 0958 7576
Passcode: 871086
<https://cuhk.zoom.us/j/98109587576?pwd=eUdIRHRMUmpsL2ZVa0YyMW1aU2VaUT09>

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Danfeng Cao
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Please make appointment first and meet on zoom

Course Website: *Blackboard in CUSIS*

Course Description:

This class is an introduction to (1) theories of trade, including Ricardian and Heckscher-Ohlin's classical trade theory on comparative advantage, Krugman's New Trade theory on scale economies, and Melitz's New New Trade theory on heterogeneous firms, and (2) trade policies, including policy instruments, political economy of trade policy, and world trade arrangements. We will particularly discuss the trade war between the U.S. and China.

Prerequisite: ECON2011 Basic Microeconomics.

Textbook: P. R. Krugman, M. Obstfeld, and M. J. Melitz, *International Economics: Theory & Policy*, 11th ed., 2018, Pearson Addison Wesley.

Reference: R. C. Feenstra and A. M. Taylor, *International Trade*, 3rd ed., 2014, Worth Publishers.

Liugang Sheng and Hongyan Zhao, *Changes in the China-U.S. Economic Relations (中美经贸变局)*, in Chinese, 2020, Peking University Press.

Learning Outcomes:

After completing this course, the students are expected to:

1. Acquire knowledge in theoretical and empirical analysis of international trade;
2. Develop skills in theoretic modeling and empirical analysis of trade;
3. Understand the trade policy and trade conflicts.

Attendance

Please attend the regular class and any announcement in the class is formal, you should take the responsibility if you miss the lecture.

Academic Honesty

For guidelines on academic honesty, students are referred to Honesty on Academic Work: A Guide for Students and Teachers at the following URL:

<http://www.cuhk.edu.hk/policy/academichonesty/>

Lecture Schedule:

Date	Lecture	Outline	Ch.
Jan 15	1	Introduction and Overview of World Trade	1/2
Jan 22	2	The Ricardian Model	3
Jan 29	3	Specific Factors and Income Distribution	4
Feb 5	4	The Heckscher-Ohlin Model	5
Feb 12		HOLIDAY (NO CLASS)	
Feb 19	5	The Standard Trade Model	6
Feb 26	6	External Economies of Scale	7
Mar 5	7	Midterm Exam-Take Home Open Book	
Mar 12	8	The Krugman Model	8
Mar 19	9	Firms in global Economy	8
Mar 26	10	Trade Policy	9
Apr 2		HOLIDAY (NO CLASS)	
Apr 9	11	The Political Economy of Trade Policy	10
Apr 16	12	Trade Policy in Developing Countries and Debate	11/12
Apr 23	13	The US-China Trade War	PPT
TBA		Final Exam	

<i>Evaluation:</i>	Assignments	25%
	Midterm Exam	30%
	Final Exam	40%
	Bonus point for attendance	5%

Course Policy:

- Exams will be cumulative.
- A request of assignment or exam regrading should first go to the teaching assistant with written justification, within one week from the day that the assignment or exam is graded and returned to the class. In that case, we reserve the right to regrade the entire assignment or exam, which may result in either an increase or a decrease in the grade.
- No late assignment and no make-up or earlier exams will be given (unless the University approved reasons). If you have to miss the midterm exam, the weight will be given to the final exam.
- Dishonesty in assignments and exams will receive grade “F” for this course.
- The grade distribution follows the university guideline.
- No changes to any scores recorded in CUSIS will be made for any reason after the final exam is taken.

Grade description

Grade	Description
A	Outstanding performance on all learning outcomes.
A-	Generally outstanding performance on all (or almost all) learning outcomes.
B	Substantial performance on all learning outcomes, or high performance on some learning outcomes which compensates for less satisfactory performance on others, resulting in overall substantial performance.
C	Satisfactory performance on the majority of learning outcomes, possibly with a few weaknesses.
D	Barely satisfactory performance on a number of learning outcomes.
F	Unsatisfactory performance on a number of learning outcomes, OR failure to meet specified assessment requirements.

***The instructor reserves the right to make revisions to the syllabus. ***