

EF4473: INTERNATIONAL TRADE

Effective Term

Semester A 2022/23

Part I Course Overview

Course Title

International Trade

Subject Code

EF - Economics and Finance

Course Number

4473

Academic Unit

Economics and Finance (EF)

College/School

College of Business (CB)

Course Duration

One Semester

Credit Units

3

Level

B1, B2, B3, B4 - Bachelor's Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

EF3440 Microeconomics for Business Strategy or EF3442 Intermediate Microeconomics
(Students who plan to choose this course are recommended to take EF3442 instead of EF3440.)

Precursors

Nil

Equivalent Courses

EF4470 International Trade and Investment
EF4473A International Trade

Exclusive Courses

Nil

Part II Course Details

Abstract

This course aims to prepare students with essential knowledge of basic international trade theories and to equip them with the necessary quantitative skills with which students will be able to empirically identify important factors determining trade and evaluate various trade policies. Ultimately, students will be able to connect themselves with the international trade system, develop confidence and ability in analysing international economic issues by applying relevant theories, form logical reasoning and critiques on world trade affairs and policies, and offer creative and innovative solutions to trade conflicts in the ever-changing global economy.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Analyze basic international trade theories and models and apply them to explain and predict real-life world trade patterns.	40	x	x	x
2	Analyze the welfare and income distribution effects of trade.	10	x	x	x
3	Describe the history, function, operation of important international economic institutions such as World Trade Organization (WTO), International Monetary Fund (IMF), and World Bank.	10	x		
4	Describe various tariff and non-tariff barriers such as tax, subsidies, quota, production subsidies, red tag, and environmental standards, and evaluate the welfare and labor market effect of various trade and industrial policies.	10	x	x	x
5	Construct gravity model and apply it to empirically test and predict the trade creation versus trade diversion effect of preferential trade agreement.	10		x	x
6	Apply the knowledge and theories to form critiques and offer policy recommendations for real world trade issues such as the soaring global food and oil prices, multinational coordination in tackling global warming, trade wars, intellectual property right protection, and global sourcing.	20	x	x	x

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

Teaching and Learning Activities (TLAs)

	TLAs	Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures	To provide basic concepts, theories and models with their uses in the real world To facilitate students' attainment of the CILOs and encourage students to think critically and logically about the issues in international trade.	2, 3, 4, 5	3 hours
2	Group project -	To encourage discovery-based research and analyses on selected topics. Students are expected to perform insightful analyses on selected international trade issues by using database and putting the theories into practice. This is important to develop students' discovery and innovative abilities and improve their research skills through adopting an appropriate set of research methods.	2, 3, 4, 5	
3	Homework assignments	To enhance students' understanding of teaching materials. The assignments consist of qualitative and quantitative questions, which will help students to discover the economic rationale behind international trade and enhance students' understanding of important factors determining trade and trade policies. Local and regional trade examples and cases will be used in the homework assignments to help students understand how to put theories into practice.	2, 3, 4, 5	

4	Applying trade theories to analyze real life trade issues and discussing selected news articles	To help students familiarize with the current/ past issues in international trade. At the beginning of each tutorial, a group will present briefly on an issue in international trade. The group will attempt to provide both sides of the issue, with a goal of starting a dialogue in class about the issue at hand. Often, these issues will be trade restrictions that impact both a country and its trading partners. Each group should look into why a particular restriction is in place and its impact.	2, 3, 4, 5	
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Assessment Tasks / Activities (ATs)

ATs	CILO No.	Weighting (%)	Remarks (e.g. Parameter for GenAI use)
1	Mid-term exam (one 1 hour exam)	1, 2, 3, 4, 5, 6	20
2	Group project	1, 2, 3, 4, 5, 6	15
3	Trade issue presentation	1, 2, 3, 4, 5, 6	5
4	Homework	1, 2, 3, 4, 5, 6	10

Continuous Assessment (%)

50

Examination (%)

50

Examination Duration (Hours)

2

Additional Information for ATs

Students are required to pass both coursework and examination components in order to pass the course.

Assessment Rubrics (AR)**Assessment Task**

Final Examination (2 hours)

Criterion

UNDERSTANDING and USE of knowledge to SOLVE various problems ACCURATELY

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

Mid-term exam

Criterion

UNDERSTANDING and USE of knowledge to SOLVE various problems ACCURATELY

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

Group Project and trade issue presentation

Criterion

ABILITY to EXPLAIN in DETAIL the trade issues

ABILITY to APPLY the theories to analyze real world trade issues

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

Homework

Criterion

ABILITY to clearly and accurately describe, construct, and analyze problems using theories and models learned in class

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Part III Other Information**Keyword Syllabus**

Comparative Advantage; Gains from Trade; Trade Barriers; Trade Policies; World Trade Organization; Preferential Trade Agreement; Globalization; Labor Migration.

Reading List**Compulsory Readings**

Title	
1	International Economics—Theory and Policy, Paul R. Krugman, and Maurice Obstfeld, Pearson/Addison Wesley, latest edition (ISBN-13:978-0-321-55398-0)

Additional Readings

Title	
1	The Economist Magazine selected articles
2	The Wall street Journal selected articles
3	The WTO Statistics Database-- http://www.wto.org/index.htm
4	Harvard Global Trade Negotiations Home Page