

International Trade

Code: 102475
ECTS Credits: 6

Degree	Type	Year	Semester
2501573 Economics	OT	3	2
2501573 Economics	OT	4	0
2504216 Contemporary History, Politics and Economics	OT	3	2
2504216 Contemporary History, Politics and Economics	OT	4	0
2504216 Contemporary History, Politics and Economics	OT	4	1
2504216 Contemporary History, Politics and Economics	OT	4	2

The proposed teaching and assessment methodology that appear in the guide may be subject to changes as a result of the restrictions to face-to-face class attendance imposed by the health authorities.

Contact

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Use of Languages

Principal working language: english (eng)
Some groups entirely in English: Yes
Some groups entirely in Catalan: No
Some groups entirely in Spanish: No

Prerequisites

Recommended UAB courses (for UAB students): Mathematics I, Mathematics II, Microeconomics I, Microeconomics II

Recommended general (for exchange students): courses on intermediate microeconomics and knowledge of basic mathematic tools for economic analysis (algebra and calculus)

Objectives and Contextualisation

The course covers the main theoretical models on international trade. The course aims at:

1. Developing the concept of comparative advantage as a key aspect for commerce.
2. Understanding the role of the endowment of factors for the development of international trade.
3. Analysing the behaviour of firms regarding the opportunities and challenges that trade presents in a globalised world.
4. Understanding the different mechanisms available to governments to regulate international trade.
5. Studying the logic of political decisions in terms of international trade and their economic and political impact.

Competences

Economics

- Capacity for adapting to changing environments.
- Demonstrate initiative and work individually when the situation requires it.
- Demonstrate thorough understanding of concepts related to international trade.
- Lead multidisciplinary and multicultural teams, implementing new projects and coordinating, negotiating and managing conflicts.
- Organise the work in terms of good time management, organisation and planning.
- Take decisions in situations of uncertainty, demonstrating an entrepreneurial and innovative attitude.
- Use of the available information technology and adaptation to new technological environments.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

Learning Outcomes

1. Analyse the balance, in terms of welfare, of different commercial policies.
2. Analyse the impact of a change in resources on international trade, and incorporate the relationship between growth and international trade.
3. Capacity to adapt to changing environments.
4. Consider the impact of different commercial policies (fees, duties, subsidies, etc.) on international equilibrium.
5. Convey the diversity of products with imperfect competition and returns to scale.
6. Demonstrate initiative and work independently when required.
7. Find trade patterns according to comparative advantages.
8. Identify comparative advantages.
9. Lead multidisciplinary and multicultural teams, implement new projects, coordinate, negotiate and manage conflicts.
10. Make decisions in situations of uncertainty and show an enterprising and innovative spirit.
11. Organise work, in terms of good time management and organisation and planning.
12. Recognise the groups of agents that benefit from trade and the groups of agents that are harmed by international trade.
13. Recognise the role of history and/or foreign economies on trade patterns.
14. Use available information technology and be able to adapt to new technological settings.
15. Work as part of a team and be able to argue own proposals and validate or refuse the arguments of others in a reasonable manner.

Content

PART I: THEORY ON INTERNATIONAL TRADE

1. Absolute and comparative advantage. The Ricardian model
2. The specific factors model and the distribution of income
3. Initial endowments and trade. The Heckscher-Ohlin model. The Stolper-Samuelson model
4. Firms' behaviour in front of international trade

PART II: INSTRUMENTS AND POLICIES IN INTERNATIONAL TRADE

5. Tariffs and other instruments of international trade
6. International trade policies

Methodology

Combination of both theoretical and practical approaches, including: theoretical lectures, supervised study, problem solving, preparation of individual and group activities and presentations, and office hours follow-up.

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus courses.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Classes with the main instructor	32.5	1.3	1, 2, 8, 4, 13, 12, 7, 5
Problem sets and other activities	17	0.68	1, 2, 3, 8, 6, 9, 11, 4, 10, 13, 12, 15, 7, 14, 5
Type: Supervised			
Office hours	2.5	0.1	1, 2, 3, 8, 6, 9, 11, 4, 10, 13, 12, 15, 7, 14, 5
Type: Autonomous			
Problem solving and preparation of activities	30	1.2	1, 2, 3, 8, 6, 9, 11, 4, 10, 13, 12, 15, 7, 14, 5
Study	53	2.12	1, 2, 8, 6, 11, 4, 13, 12, 7, 14, 5

Assessment

The course evaluation will consist in several evaluative activities. These activities and their share on the final grade are:

60% exams + 20% group activities + 20% individual activities

To pass the course, you must obtain a grade of 4/10 on the weighted average of the mid-term exams. If this mark is not obtained, students will be able to take an exam that will include the entire syllabus of the course and will also have to obtain a 4/10. If you do not obtain it in this exam either, you will not pass the course (if the average of the other activities makes the weighted mark exceed 5, the record will show a 4.9 - no pass). Students with a grade of 4 or higher may also be eligible for this full-time exam if they wish to improve their grade.

If applying the above mentioned weights the qualification of the student is 5/10 or higher, the course is considered passed and this will not be subject to a new evaluation. In the case of a grade less than 3.5/10, the student will not pass the course. For those students who have obtained a grade that is equal to or greater than 3.5/10 and less than 5/10, there will be a re-take exam. The re-take exam grade will be qualitative and will only have two possible outputs: PASS or NO PASS. If the student obtains a PASS grade, they will pass the course with a maximum numerical grade equal to 5/10. If the student gets a NO PASS score, the final grade will be equal to the one obtained before the re-take.

A student is considered to be "Not Evaluated" in the subject if he/she has not participated in any of the course activities. Therefore, if a student attends one or more activities of the evaluation, he/she can no longer opt for a "Not Evaluated".

Those students who take the course for the second, third or fourth time have the option to follow the continuous evaluation (see weights above) or to just solve the final exam, in which case the exam's result will be the final grade (100% of the evaluation).

Calendar of evaluation activities

The dates of the evaluation activities (midterm exams, exercises in the classroom, assignments, ...) will be announced well in advance during the semester. Only exams can be rescheduled (see the rules before); other evaluation activities (which represent a minor share of the final grade) will not be rescheduled under any circumstances.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity." **Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB).** Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' reschedule

https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule

Grade revision process

After all grading activities have ended, students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

Retake Process

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." Section 3 of Article 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.9.

The date of the retake exam will be posted in the calendar of evaluation activities of the Faculty. Students who take this exam and pass, will get a grade of 5 for the subject. If the student does not pass the retake, the grade will remain unchanged, and hence, student will fail the course.

Irregularities in evaluation activities

In spite of other disciplinary measures deemed appropriate, and in accordance with current academic regulations, *"in the case that the student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of various irregularities occur in the evaluation of the same subject, the final grade of this subject will be 0"*. **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

NOTE related to the situation regarding COVID-19: *The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.*

Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Exams	60%	5	0.2	1, 2, 8, 4, 13, 12, 7, 5
Other evaluation activities	40%	10	0.4	1, 2, 3, 8, 6, 9, 11, 4, 10, 13, 12, 15, 7, 14, 5

Bibliography

Main texts:

International economics: Theory and policy
Krugman, Obstfeld and Melitz
Pearson, 2018 (11th ed.)

Advanced International: Trade Theory and Evidence.
Robert C. Feenstra,
Princeton University Press, (2nd Edition)

Software

No specific software requirements.