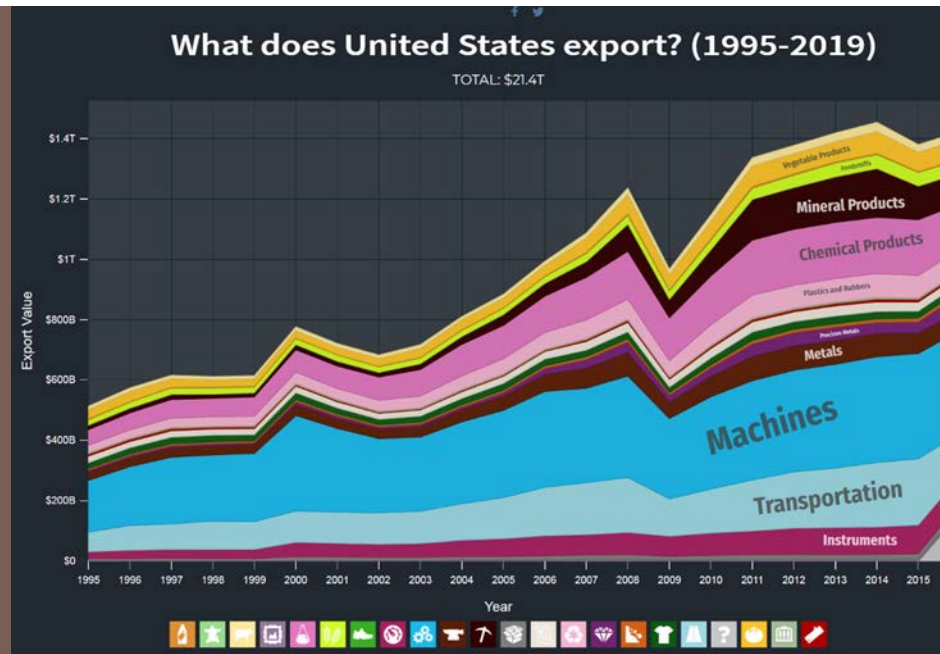


UW Econ 471
International
Trade



Subject Goals: Learning objectives, prerequisites, & what to expect
Logistics: Assignments, grading, & policies
Schedule: Detailed information on topics, dates, and readings

Why Trade? What are The Effects of Trade on the Domestic Economy?

Prof. Theo Eicher
Office Hours: Via Zoom

We will develop different frameworks to identify the winners and losers of (domestic & global) trade.

International Trade covers

- (1) "pure" theory
- (2) trade empirics
- (3) Trade policy applications.

We live in a global economy, it is crucial to understand why/how trade creates gains and losses, and who the winners and losers are. Developing frameworks to analyze the effects of trade and factor movements (capital and labor), will be a key learning objective of this class.

Pure theory derives implications without **normative** judgements (e.g. we avoid judging if a trade impact is "good" or "bad" – we just want to understand what the impact is). Trade Theories illuminate the determinants of

trade patterns (why countries import/exports certain types of goods). Trade theory is also helpful to understand the domestic and international gains from trade.

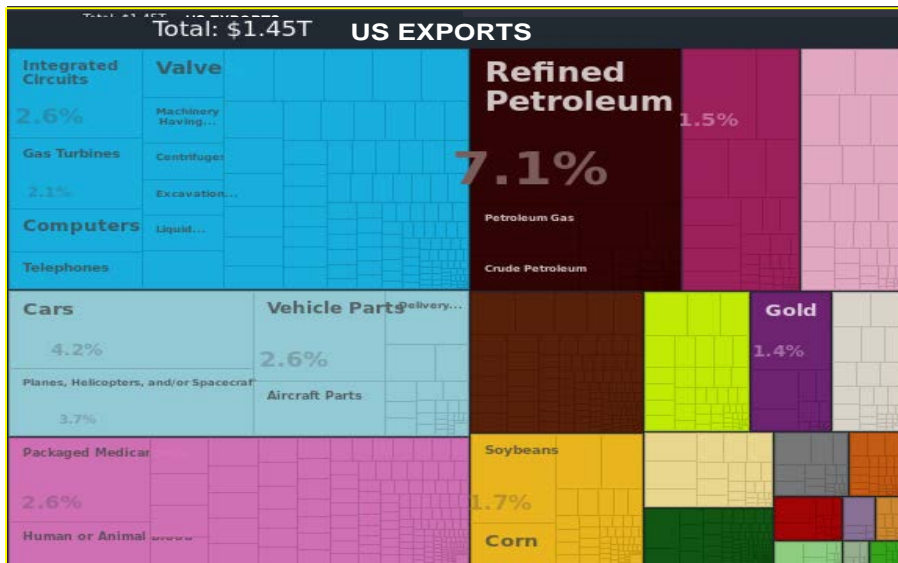
Trade Empirics provide an appreciation of the quantitative implications of international trade. Each class will match theory to actual observed tangible data and case studies.

Trade policy covers the effects of political economy tools such as tariffs, trade agreements, and the World Trade Organization (WTO), as well as foreign direct investment, and migration. Trade policy has recently become a hot topic in

in the news. We need to understand what can(not) be achieved with trade policy in order to appreciate the upsides/downsides to various trade policies.

Finally the course is geared towards providing students with a deep understanding of how to **apply analytical frameworks to policy questions and current events**. Each class provides opportunities for students to critically apply the theory and empirics using real world issues.

In-Class Verbal Analysis is a key learning objective of this course to develop analytical skills that anyone who wants to function as an economist requires.



Goals & Learning Objectives

This class will help you

- 1) understand costs, benefits, and reasons for Trade
- 2) assess welfare implications associated with trade flows
- 3) function like an economist by conveying economic concepts verbally in groups and through interactions in class, with the instructor, to dissect real-world problems.

Readings

Textbook: Feenstra and Taylor “International Trade” [5th edition](#) (ebook required)

Wall Street Journal: (required) A WSJ student offer is available [here](#) for \$4/mo.

Additional Reading:

- **Mondays:** [POLITICO WEEKLY TRADE](#) (required).
- **The Slide Decks** can be accessed after each class [here](#).

The Syllabus can be found [here](#)

All Readings, podcasts, and audiovisual materials posted on the class schedule are to be completed before class.

Class blog (irregular): [ThinkEcon](#)

Topics Covered

- **Trade and Data:** Visualizing the International Economy, flows of Goods, Capital, People,
- **Analysis and Understanding of Trump/Biden Trade Wars**
- **Trade and Technology**
- **Trade and Factor Endowments**
- **Trade Policy, Tariffs, Quotas, WTO, Trade Agreements (NAFTA, EU)**
- **Political Economy of Trade Policy**
- **Trade with Imperfect Competition**
- **Migration / Foreign Investment / Outsourcing**
- **Digital Protectionism**