Econ 281f
CHALLENGES IN THE GLOBAL ECONOMY:
International Trade and Development

SPRING 2018

Syllabus

Course Description
This is the first half of the capstone course for students in the Brandeis MA program. In this highly interactive class, students apply the tools and concepts from international trade, microeconomics, statistics, and economic development to analyze current challenges facing policymakers, firms and international organizations. The focus will be on trade agreements, trade barriers, global firm production networks, and firm access to finance. Using rigorous analysis and research, students will evaluate key global issues in-depth, and present their views persuasively, in class discussion, in debate and in writing.

Learning goals
1. Present well-articulated, in-depth economic analysis of current global policy issues, using concepts and tools from international trade, economic development, microeconomics, and statistics.
2. Engage in effective debate on a current global issue, with a well-reasoned and compelling economic analysis that reveals knowledge of both sides of the issue.
3. Write a well-argued policy paper evaluating a current global issue, using in-depth economic analysis.
4. Analyze and present data effectively in discussions, oral presentations, and written analyses.

Course Structure
The course will cover four current policy topics in international trade and development. For each topic, the first class will discuss a paper analyzing the broad policy debate. The next class will go deeper into the policy debate, with a paper that provides more in-depth economic and data analysis. In the third class, student teams will debate an issue at the center of the policy controversy.

Prerequisites
Econ 260a, Econ 202a

Required reading
Required reading will include professional studies by scholars and by international organizations, and professional journal articles (via Brandeis Scholar or online) posted on LATTE.

Optional textbooks for reference
There are no textbooks for this class. However, students may wish to consult a standard textbook on international trade such as: R. Feenstra and A. Taylor, International Economics; S. Husted and M. Melvin, International Economics; P. Krugman, M. Obstfeld and M. Melitz, International Economics.
Grading
1. Policy Paper (35%)
2. Debates (30%)
3. Class participation (35%)

Overview of Assignments
1. **Policy Paper (35%).** Students will write one policy paper of 5-6 (double-spaced) pages in length, including charts, tables and references. Further instructions on the policy paper will be posted on LATTE and discussed at the first class meeting. Your draft policy paper is due during the fourth week of class. The final policy paper is due the last week of class.

2. **Debates (30%).** We will have 4 debates throughout the class. Debate topics and schedule are in the syllabus and posted on LATTE. Debate teams will be announced within the first week of class. Your debate grade will be based on your team’s performance (70%) and your individual performance (30%). Further instructions will be discussed in class and posted on LATTE.

3. **Class Participation (35%).** Student participation in class is crucial. *Attendance in class mandatory.* Student comments in class will be tracked and graded based on both frequency and quality. Students should be ready to speak, and can expect to be called on without warning. *Each student must contribute to class discussion. A student who never speaks up in class will receive a failing grade in participation.*

- **Classroom contribution:** Your class discussion grade will be based on the extent and quality of your contributions. In each class meeting, grades will be assessed as follows:
  - High: a comment that move the discussion forward significantly
  - Good: a comment that provokes some discussion
  - Pass: a standard comment.
  - Zero: no comments

- **Absence penalties.** For each unexcused absence beyond the first, your participation grade will be reduced by one grade level (A to A-, A- to B+, etc.). For each unexcused late arrival or early departure beyond the first, your participation will be reduced by one-half grade level (2 late arrivals= 1 absence).

**Policy on Use of Computers, Tablets and Phones in Class**
During class, your computer, tablet and phone must be **closed and in your bag.** *Violation of this policy will be equivalent to an unexcused absence.*

**Class Preparation.**
Preparation prior to each class meeting is mandatory. The goal for each class is to (1) thoroughly and rigorously discuss the economic issues raised in the readings and (2) achieve involvement of most of the students in the classroom discussion. Everyone must be prepared to participate.

**Discussion Structure:**
1. **ASSESSING THE ECONOMIC ISSUES.** What is the main question examined in this paper? Why is it important? What economic issues and concepts must be dealt with to answer the question?

2. **ANALYZING THE CASE.** What are the key economic arguments the authors use to build their case? What explanations and evidence are presented to support these arguments?

3. **EVALUATING THE OUTCOME.** Are you convinced by the authors’ arguments? What are the strengths and weaknesses in the analysis? Do you agree with the overall conclusions?
Workload
Success in this two-credit course is based on the expectation that students will spend a minimum of 9 hours of study time per week in preparation for class (readings, papers, discussion sections, preparation for exams, etc.).

Academic Honesty
You are expected to be honest in all of your academic work. This is your responsibility. Please consult Brandeis University Rights and Responsibilities for all policies and procedures related to academic integrity. Students may be required to submit work to TurnItIn.com software to verify originality. Allegations of alleged academic dishonesty will be forwarded to the Director of Academic Integrity. Sanctions for academic dishonesty—such as plagiarism—can include failing grades and/or suspension from the university. Citation and research assistance can be found at LTS - Library guides.

Disabilities
If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me immediately.
Readings and Course Outline
(* indicates required reading)

OVERVIEW

Class 1: January 10

The battle over international trade

Overview of course and requirements

TOPIC 1: FREE TRADE AGREEMENTS—DO THEY REALLY HARM THE ECONOMY?

Class 2: January 17

Class 3: January 18 (Brandeis Monday)

Class 4: January 22
Debate #1: Renegotiations will make NAFTA beneficial.

*C. Bown and S. Keynes, TRADE TALKS, Episode 1: NAFTAnomics: The Economics of Three Big Fights (9-1-17)

TOPIC 2: LOST JOBS—A “NEW” ARGUMENT FOR PROTECTION?

Class 5: January 24

Class 6: January 29

Class 7: January 31
Debate #2: US trade barriers on solar panels and steel are the best response to China’s unfair trade.

*C. Bown and S. Keynes, TRADE TALKS, Episode 5 “Solar Panels, Clean Energy, and Trump” (9-29-17)
TOPIC 3: GLOBAL VALUE CHAINS (GVCs): THE NEW SOURCE OF COMPARATIVE ADVANTAGE?

Class 8: February 5

Class 9: February 7

Class 10: February 12
Debate #3: The US and EU benefit from GVCs, but developing countries gain little.


TOPIC 4: ACCESS TO FINANCE: THE NEW ENGINE FOR GROWTH AND DEVELOPMENT?

Class 11: February 14
*World Bank GFDR 2014, chapter 3 “Financial Inclusion for Firms,” pages115-146 (only)

Class 12: February 26

Class 13: February 28
Debate #4: New trade agreements, like the CPTPP, will help SMEs surmount obstacles to trade.