

## International Trade

**Department:** Fudan International Winter Session 2025

<b>Course Code</b>	GEIS30004						
<b>Course Title</b>	International Trade						
<b>Credit</b>	2	<b>Experiment (including Computer) Credit</b>		<b>Practice Credit</b>		<b>Aesthetic Education Credit</b>	
<b>Credit Hours Per Week</b>	12 credit hours per week, 36+3 tutorial hours in total (one credit hour is 45 minutes)	<b>Education on The Hard-Workin g Spirit Credit Hours</b>		<b>Language of Instruction</b>	English	<b>Honors Course</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Course Type</b>	<input type="checkbox"/> Core General Education Course <input type="checkbox"/> Specific General Education Course <input type="checkbox"/> Basic Course in General Discipline <input checked="" type="checkbox"/> Others			2+X Major : <input type="checkbox"/> Professional Core Course <input type="checkbox"/> Professional Advanced Course Non 2+X Major : <input type="checkbox"/> Professional Compulsory Course <input type="checkbox"/> Professional Elective Course			
<b>Course Objectives</b>	After you finish the course, you are supposed to <ul style="list-style-type: none"> <li>▪ Understand different sources of gains from trade and therefore different types of international trade theories.</li> <li>▪ Understand different trade policies and their corresponding welfare effects.</li> <li>▪ Match the international trade theories to real-life international trade data and trade policies.</li> </ul> Be able to generate an import and export industry report from the data digging to deeper theoretical and empirical analyses.						
<b>Course Description</b>	The purpose of this course is to help students understand the basics of international trade and the effects of various international economic policies on domestic and world welfare, with an empirical focus on China trade and foreign direct investment. The course will highlight sources of comparative advantage, gains and losses from trade, the impact of trade on economic growth, and effects of trade policy interventions such as tariffs, quotas, voluntary export restraints, and export subsidies. In doing so, it will emphasize both theoretical (analytical) models as well as empirical studies of how well those models fit						

<p>“real world” data. Moreover, the course will frequently compare and contrast alternative theories/conceptions of the nature of international trade and the gains or losses thereof. Understanding the economic intuitions behind the technically demanding models as well as thinking critically about the assumptions behind the theories and how well they fit actual trading economies will be a major focus. I will try to strike a balance between the "extensive" and the "intensive" margins of the course materials: the extensive margin refers to an overview of various topics in the field of international trade, while the intensive margin means technical training and empirical real-life cases in China on selected topics.</p>				
<p><b>Course Requirements:</b> Prerequisites: Microeconomics</p>				
<p><b>Teaching Methods:</b> Lectures, in-class assignments and group project</p>				
<p><b>Course Director's Academic Background:</b> Dr. Yiqing Xie is an associate research professor at Shanghai Academy of Social Sciences as well as, at Fudan University's Financial Research Center, after having held positions at Fudan University's School of Economics and the University of North Dakota's business school. She holds a PhD in Economics from the University of Colorado at Boulder, and her areas of expertise include finance, international trade and developmental economics. Among others, she specializes in China's inward and outward foreign direct investments and in analyzing the firm-level characteristics of international trade. She has published numerous academic papers on international economics in core social science journals both in China and abroad, as well as a book, Financial Engineering – Basic Tools and Principles. In addition to academic research, Dr. Xie has also led multiple projects and research initiatives for government and non-profit organizations, translating research methodologies into practical solutions for societal issues and government policy decisions.</p>				
<p><b>Instructor's Academic Background:</b></p>				
<p><b>Members of Teaching Team</b></p>				
Name	Gender	Professional Title	Department	Responsibility
Yiqing Xie	Female	associate research professor	Shanghai Academy of Social Sciences	Lecture, prepare final exam

**Course Schedule (Tentative):**

Arrangement	Contents	Text/reference	Homework	Outcome
Day 1	Overview of the World Economy	Feenstra and Taylor, Chapter 1		Know the basics of international trade.
Day 2, 3	Ricardian Model	Feenstra and Taylor, Chapter 2	In-class assignment 1	Understand the first source of comparative advantage: technology.
Day 4, 5	Heckscher - Ohlin Model	Feenstra and Taylor, Chapter 4	In-class assignment 2	Understand the second source of comparative advantage: endowments.
Day 6	The Specific Factor Model	Feenstra and Taylor, Chapter 3	In-class assignment 3	Understand the combination of technology and endowments as a source of comparative advantage.
Day 7	Trade in Factors of Production and Trade in Goods	Feenstra and Taylor, Chapter 5	In-class assignment 4	Understand the substitutability/ complementarity between trade in factors of production and trade in goods.
Day 8	Increasing Returns to Scale and Trade	Feenstra and Taylor, Chapter 6	In-class assignment 5	Understand the third source of comparative advantage: IRS.
Day 9	Heterogeneous Firms and Industry Reallocation	Melitz (2003)	In-class assignment 6	Understand trade under monopolistic competition with heterogenous firms: trade creates industry reallocation effects.
Day 10	Trade Protection Policies	Feenstra and Taylor, Chapter 8, 9	In-class assignment 7	Know different trade protection policies and their pros and cons.
Day 11	Final Exam			Open-book exam
Day 12	Group Project Presentation			Import/Export Industry Analysis

**The design of class discussion or exercise, practice, experience and so on:**

In-class assignments \* 8 + group project \* 1 + final exam (open-book)

**If you need a TA, please indicate the assignment of assistant:**

**Attend the lectures; take attendance; grade in-class assignments and final exam; arrange online teaching platform (elearning); arrange office hours**

**Grading & Evaluation:**

Students are required to attend class, participate in class and finish all in-class assignments, which accounts for about 20% of the final grade. The rest 80% is based on one group project (import/export industry analysis), 30%, and 50% for the final open-book exam.

In-class Assignments -- 20%: due in class

Project: Industry Trade Analysis -- 30%: group work, due last week of class

Final open-book Exam -- 50%: Time be determined

There will be no make-up exam.

**Usage of Textbook:** ☒ Yes (complete textbook information form below) ☐ No

**Textbook Information** (No more than two textbooks) :

Title	Author	ISBN	Publishing Time	Publisher	Type I	Type II
International Trade	Robert C. Feenstra and Alan M. Talor		Mar. 2011	Worth Publishers		
International Economics: Theory and Policy	Paul R. Krugman, Maurice Obstfeld and Mark Melitz		Jan. 2011	Prentice Hall		

**Teaching References:**