INTERNATIONAL TRADE

DEGREE: BACHELOR IN INTERNATIONAL RELATIONS

DEGREE COURSE YEAR: □ FIRST □ SECOND □ THIRD □ FOURTH
SEMESTER: 1º SEMESTER □ 2º SEMESTER ☑
CATEGORY: □ BASIC ☑ COMPULSORY □ OPTIONAL
LANGUAGE: ☑ ENGLISH □ SPANISH

I. COURSE DESCRIPTION

This course aims to introduce students to major theoretical and empirical issues in the field of international trade. It will particularly focus on the political economy of trade, studying the role of the interest groups and distributional issues in the making of trade policies. Examining the multilateral and preferential trade agreements along with the regimes built around those, the course will discuss the multifarious interactions between international and regional organizations, and the individual states.

The course will explore the links between international trade and development by elaborating on the comparative development strategies implemented by developing countries since the 1950s. It will go through the successive phases of trade liberalization in those countries carried out in the last three decades and discuss, and study the impact of different trajectories of liberalization on the developmental outcomes. Finally, the course will discuss some of the prevalent controversies about the international trade flows as well as the trade regime.

Course Requirements

Students are expected to be an active participant in this course. Therefore, it is essential that they come to class prepared to discuss the readings for each meeting. We will have class/group discussions and individual/group presentations in designated times. It is highly recommended to keep up-to-date about ongoing real-world developments. Reading the respective sections of the major journals and newspapers (national and international alike—such as the Financial Times, the Economist, the Guardian, New York Times, El Pais, etc.) will help students go over contemporary issues and phenomena regarding international trade and relate course material to everyday events.

There will be a research paper, a presentation and a final exam whose weights in your course grade are listed below.
**Research paper:** Students will pick two country cases (from mid-income or lower-income groups) to conduct a comparative study on the links between trade policies, development strategies and their outcomes from a historical perspective (since the 1950s). The interactions between these countries and particular international, regional and supranational organizations such as the GATT, WTO, IMF, the World Bank, MERCOSUR and the EU need to be analyzed with respect to trade policies. Clear identification of actors and institutions as well as the opportunities and challenges posed by the international dynamics is essential for the assessment of outcomes.

**Presentation:** Students will present their research project in class in order to receive feedback before finalizing their papers. The use of visual material (power point slides, videos, photos, etc.) is highly encouraged. Presentations will be scheduled for the last four sessions of the semester and each student will have about 15 minutes to present.

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<thead>
<tr>
<th>Grading</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Paper</td>
<td>30%</td>
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<tr>
<td>Presentation</td>
<td>15%</td>
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<tr>
<td>Class Participation</td>
<td>15%</td>
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<td>Final exam</td>
<td>40%</td>
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Students who fail the class due to poor grades will have the chance to take an extraordinary exam in July. This exam will comprise two essay questions, and will require students to understand the course readings. Students who fail the class due to attendance or ethics violations will not be able to take the July exam. July Exam dates are non-negotiable.

**Attendance and plagiarism:** Any student missing more than 9 sessions will fail the class. Any student found plagiarizing on an assignment will receive a ‘0’ for that assignment and an ethics warning. A second case of plagiarism will lead to the convening of a university ethics committee, and failing the class. All papers will be graded using turnitin, which means don’t plagiarize, you will get caught. Any case of cheating on exams or quizzes will result in failing the class and the convening of a university ethics committee.
II. PROGRAM

SESSION 1-2: Introduction to the Course
- Why should we care about the international trade?
  - Benefits vs. controversies
- Instruments of trade policy and their use in practice
- Free trade vs. protectionism

SESSIONS 3-4: Political economy of international trade
- An overview of trade theories
- Society and state-centered approaches to policy-making
- Application of theories into empirics: Do they explain real dynamics?

SESSIONS 5-6: The evolution of the international trade regime
- The postwar order and the emergence of an international regime
  - The GATT, its principles and reach
- Trading between multilateralism and regionalism
  - The rise of preferential trade agreements
- Increasing institutionalization and the formation of the WTO

SESSIONS 7-8: The making and politics of a quasi-judicial trade regime
- The operation of the dispute settlement mechanism
- In whose favor? Legalization and its consequences

SESSIONS 9-10: Adding new issues and players into the trade regime
- The complexity of deepening of the trade regime.
- The hurdle of international bureaucracy?
- Complex web of agreements and actors
  - Interaction between many players: the states and non-state actors.
  - The Doha Round: new signs of revival or persisting impasse?

SESSIONS 11-12: International trade regime and developing countries
- Cost of overt and disguised protectionism for developing countries
- “Fair trade” and its proponents
SESSIONS 13-14: All under the roof of the WTO: accommodating the regional blocs and the PTAs
- Trade negotiations with regional blocs
- Preferential trade agreements and multilateral commitments

SESSIONS 15-16: Regionalism vs. multilateralism: conformity or conflict?
- Comparative regionalisms
- Implications of preferential trade agreements on trade flows

SESSIONS 17-18: Trade and development-I
- Links between international trade and development strategies
  - Import-substituting industrialization
  - Export-oriented industrialization

SESSIONS 19-20: Trade and development-II
- Politics of trade liberalization in developing countries
- Conservative revolution, “neoliberalism” and “post-neoliberalism”
- The Washington Consensus, crises and the post-Washington Consensus

SESSIONS 21-22: Trade and development-III
- Emerging markets and the new perspectives on international trade
- Northern initiatives and blockings
- From the Washington Consensus to the Beijing Consensus

SESSIONS 23-24: Trade and Development-IV
- Shifting or persistent? North-North, North-South, South-South trade
- Increasing share and voice of some countries
- Former communist countries as increasingly important players in trade
  - China’s boom and industrial policy

Debate: Is there a way out for the South? Debate on policies & strategies for the South with actors (domestic, international and supranational) who would play major roles in policy-making (such as the President (or prime minister), representatives of labor, business, government employees, the WTO, IMF, the World Bank, the EU and the US administration, etc.
SESSIONS 25-26 (April 10): Controversies on international trade-I

- All prosperous or race-to-the-bottom?
- Implications of the trade regime and the expansion of trade volume on
  - Collective action and democracy

- Presentations

SESSIONS 27-28: Controversies on international trade-II

- Implications of international trade on human rights and environment

- Presentations
- Paper due at the beginning of class

SESSIONS 29-30

- FINAL EXAM.