



Course Information

Instructor:

Office:
Phone:
Email:
Office Hours:

TA:

Office: PHBS Building
Email:

Classes:

Lectures: Mon & Thur 10:30-12:20
Venue: PHBS Building

Course Website:

CMS

1. Course Description

1.1 Context

Course overview: This part of the course covers selected advanced topics in international trade. It includes the study of positive issues, such as: What factors explain observed trade flows?, How large are trade costs across and within countries?, How do individual plants select into and adjust to trade?, and How do falling trade costs affect the location of economic activity within countries?. The lectures also addresses normative issues, such as: How large are the gains from market integration?, and What are the consequences of globalization for inequality within countries?. Throughout the course, the aim is to study recent empirical research designs to answer these questions with a focus on empirical work at the intersection between globalization and economic development.

Prerequisites: Advanced Micro/Macro sequence, Applied Econometrics

1.2 Textbooks and Reading Materials

There is no required textbook for this course. Course materials including mostly journal articles and lecture notes will be disseminated throughout the course.

See Appendix.

2. Learning Outcomes

2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment
1. Our graduates will be effective communicators.	1.1. Our students will produce quality business and research-oriented documents.	Yes
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	Yes

2. Our graduates will be skilled in team work and leadership.	2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.	Yes
	2.2. Students will be able to apply leadership theories and related skills.	Yes
3. Our graduates will be trained in ethics.	3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it.	Yes, with respect to ethical practices in research
	3.2. Our students will practice ethics in the duration of the program.	Yes
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	Yes
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Yes
	5.2. Our students will be prepared to face problems in various business settings and find solutions.	Yes
	5.3. Our students will demonstrate competency in critical thinking.	Yes

2.2 Assessment/Grading Details

Assessment	Weighting
Participation	20%
Presentation	20%
Individual Report	20%
Research Proposal	40%

Participation: This grade reflects my judgment of your contribution to our learning environment. The grades take into account (1) the frequency of your questions and responses in class, (2) their quality (e.g., relevance to course materials; insights that differ from others' points of view; elaboration or clarification of others' opinions), and (3) the professionalism of your conduct (e.g., no side conversations, no cell phones, preparedness, and respect to your fellow students and their contributions). Note that an interactive environment is not only essential to learning, but also makes the class a more interesting experience.

At times, there may be scenarios when there are too few responses. In those moments, I will randomly choose students to answer my questions based on Excel's random name generator. Your responses will be evaluated to form class participation grades.

Note the School's policy regarding attendance. I generally do not take attendance, but may check it sporadically: the probability of checking is inversely related to the attendance rate. While occasional absence is excused without punishment, in-class discussion and participation are strongly encouraged, and I reserve the right to make small upward adjustments to your final grade using attendance. *However, if you don't attend, you can't participate! Miss classes at your own risk.*

Assigned Paper Presentation: You will be assigned with a published or working paper. You will make a professional presentation to the entire class to summarize the paper (i.e., the main research question, its motivation, hypotheses, models, and findings, overall contribution to the literature, and your critical evaluations and potential extensions of the paper). The presentation is **~40 minutes**, followed by class discussion. Please submit your slides and a report containing all questions and answers (along with names of people who raise the questions) via email by the **end of day of the presentation**.

Individual Report: Each student reviews a recent paper and write a referee report to evaluate the paper to offer comments and criticisms. The goal is to get familiar with the format and content of an eligible thesis and eventually help you write your own. Each report should be 1-2 pages single-spaced. The report should start off with a one paragraph summary of the main argument of the article. You should describe your main 3-4 points in detail as if you were writing directly to the author. Conclude the report with more minor comments. You can also discuss extensions that can be interesting to explore. A good report not only clearly states the shortcomings of the work, but also lays out clear, constructive and realistic suggestions for improvement. The report is due at the end of the final exam week. Please submit your report to TA via email.

Research Proposal: Everyone is required to write and submit your research proposal individually. You're encouraged to discuss with classmates or me. The proposal must be in the field of International Trade. The proposal should clearly state your research question, and include the motivation, literature review, hypothesis, your plan of data collection, empirical models to use, preliminary findings (if any), potential contribution to the literature.

The proposal should be at least **4 pages single-spaced**. It should start with a brief survey of an existing literature and then describe a planned research project. It should include: the question you want to address; why you think it is important; why you think the answer of the previous literature is unsatisfactory; and how you plan to improve it. In the last class, we will set up individual meetings for a discussion. The proposal (along with slides) is **due in the final week of the course**. Please submit your proposal via email.

Important: You are not allowed to submit a proposal verbatim used for another class. It's okay to use the same topic only if you exert substantial efforts to improve it.

2.3 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honours, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

AI tools requirements:

Using AI tools to complete assignments or assessments without the approval of the course instructor will be regarded as an act of academic dishonesty. Depending on the severity of the situation, penalties will be implemented in accordance with the provisions of the Peking University Graduate Student Handbook.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

3. Topics, Teaching and Assessment Schedule

(The following schedule is tentative and subject to change based on progression of the course)

Week	Topic	Paper
1	Introduction	
2	Neoclassical Trade Theory	discussion
3	Ricardian	discussion
4	Eaton Kortum	discussion
5	Krugman	discussion
6	Melitz	discussion
7	Economic Geography I	discussion
8	Economic Geography II	discussion
9	Research proposal	

Appendix:

Recommended Books:

Avinash Dixit and Victor Norman, *Theory of International Trade* (DN)

Robert Feenstra, *Advanced International Trade: Theory and Evidence* (F)

Selected Readings:

- Dornbusch, Fischer and Samuelson (1977), "Comparative advantage, trade, and payments in a Ricardian model with a continuum of goods," AER, pp. 823-839
- Eaton and Kortum (2002), "Technology, geography and trade," ECMA, pp. 1741-1779
- Krugman (1979), "Increasing Returns, Monopolistic Competition, and International Trade" JIE
- Krugman (1980), "Scale Economics, Product Differentiation and the Pattern of Trade," AER
- Melitz (2003), "The Impact of Trade on Intra-Industry Reallocations and Aggregate Industry Productivity
- Feyrer, J. (2009), "Distance, Trade and Income – The 1967 to 1975 Closing of the Suez Canal as a Natural Experiment", NBER working paper.
- Broda and Weinstein (2006), "Globalization and the Gains from Variety," QJE, pp. 541-585.

- Donaldson, D. (2013), “Railroads and the Raj: Estimating the Impact of Transportation Infrastructure”, American Economic Review.
- Burstein, A. and Vogel, J. (2012) “International Trade, Technology, and the Skill Premium”, mimeo Columbia
- Verhoogen, E. (2008), “Trade, Quality Upgrading, and Wage Inequality in the Mexican Manufacturing Sector”, Quarterly Journal of Economics.
- Autor, D., Dorn, D. and Hanson, G. (2013) “The China Syndrome: Local Labor Market Effects of Import Competition in the United States”, American Economic Review.
- Davis, D. and Weinstein, D. (2002), “Bombs, Bones and Break Points: The Geography of Economic Activity”, American Economic Review.
- Redding, S. and Sturm, D. (2008), “The Cost of Remoteness: Evidence from German Division and Reunification”, American Economic Review.
- Ellison, G., Glaeser, E. and Kerr, W. (2007) “What Causes Industry Agglomeration?: Evidence from Coagglomeration Patterns”, American Economic Review.