**International Trade reading list**, Fall 2013

Professor Tyler Cowen (x2312, 4910), tcowen@gmu.edu. Office hours by arrangement if you wish to reserve a specific time but in general you do not need an appointment to come by and see me.

**Method of Evaluation**

Your grade will be 1/3, 1/3, 1/3, based on a final exam, one long or two short papers, and a short class presentation(s). A long paper is due on the date of the final exam, with a significant draft and outline due at the halfway point. For two short papers, the first is due at the midway point, the second due on the date of the final exam.


All videos can be found on MRUniversity.com, if not in the international trade section than in the development economics class or a few on Mexico in the Mexico class. In general I recommend viewing the videos before tackling the readings.

**I. Comparative advantage and free trade**


Videos: The two videos on Comparative Advantage, Sources of Comparative Advantage, Development and Trade, empirical evidence, Evidence on Comparative Advantage from Japan.

II. Free trade and tariffs

Paul Krugman. “The One-Minute Trade Policy Theorist.” (powerpoint)


III. Heckscher-Ohlin and factor abundance theories of trade


IV. Increasing Returns


V. Gravity models


**Video:** The Gravity Equation and the Costs of Trade.

**VI. Offshoring and factor prices**

No Author. “Trade and Factor Prices” (powerpoint)


**Videos:** Factor price equalization, Specific Factors Models, Economics of Offshoring, The Rybczynski Theorem, Trade, Investment, and Migration as Substitutes, Unbundling the Supply Chain.

**VI. Trade in economic history**


Videos: Corn Law debates, Friedrich List, Robert Torrens on sliding tariffs, The deindustrialization of India, Tariffs and Growth in the late 19th Century, South Korea and Industrial Policy, The Smoot-Hawley Tariff, Why Did Trade Plummet in the Great Recession?

VII. FDI and multinationals


**VIII. The politics of trade**


