

Course Title	International Trade				
Course Code	AEF380				
Course Type	Compulsory				
Level	Bachelor (1 st Cycle)				
Year / Semester	3 rd Year / 6 th Semester				
Teacher's Name	TBA				
ECTS	6	Lectures / week	3 Hours / 14 weeks	Laboratories / week	None
Course Purpose and Objectives	The aim of the course is to expose students to the theory of international trade. All the relevant economic theories and economic policy issues, will be discussed.				
Learning Outcomes	<p>Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Describe the theories of why trade exists and the pattern of specialization • Associate the theory of comparative advantage with relation to the profitability of the industries producing traded goods • Describe the current thinking about the relation between trade and the distribution of income, (the Heckscher-Ohlin and Specific Factors models) • Tell how to appraise the effects of trade policy, especially tariffs, subsidies and quotas • Obtain a working knowledge of models of imperfect competition and their application to strategic trade policy • Assess the arguments put forward in recent debates on the positive and negative aspects of preferential trading agreements • Relate the main facts and models of currency crises 				
Prerequisites	AEF100, AEF115	Co-requisites	None		
Course Content	<p>What is International Trade All About?</p> <p>Labour Productivity and Comparative Advantage (The Ricardian Model): A One-Factor Economy; Trade in One-Factor World; Misconceptions About Comparative Advantage; Comparative Advantage with Many Goods.</p> <p>Specific Factors and Income Distribution: the Specific Factors Model; International Trade in the Specific Factors Model; Income Distribution and the Gains From Trade.</p> <p>Resources and Trade (The Heckscher-Ohlin Model): A Model of Two-Factor Economy; Effects of International Trade Between Two-Factor</p>				

	<p>Economics; Empirical Evidence on Heckscher-Ohlin Model; the H-O Model with Variable Coefficients.</p> <p>The Standard Trade Model: A Standard Model of A Trading Economy; Economic Growth; Representing International Equilibrium with Offer Curves.</p> <p>Economies of Scale, Imperfect Competition, and International Trade.</p> <p>International Factor Movements: the Basic Theory; Factor Movements and Trade; Labour Migration; International Capital Movements; Intertemporal Trade.</p> <p>The Instruments of Trade Policy: Tariff Analysis; Other Instruments of Trade Policy; Tariff Analysis in General Equilibrium.</p> <p>The Political Economy of Trade Policy: the Case of Free Trade; National Welfare Arguments Against Free Trade; Income Distribution and Trade Policy; International Negotiations and Trade Policy.</p> <p>Trade Policy in Developing Countries: Trade Policy to Promote Manufacturing; Economic Dualism; the North-South Debate.</p> <p>Trade Policy in Advanced Countries: Popular Arguments for Industrial Policy; Sophisticated Arguments for Industrial Policy; Industrial Policy in Practice.</p> <p>The Multinational Firm: Direct Investment; International Trade Theory and the Multinational Firm; the Evidence; Public Policy Toward the Multinational Enterprise.</p> <p>Recent developments and contemporary issues pertaining to the subject matter of the course.</p>
Teaching Methodology	Face to Face
Bibliography	<p>Krugman, P.R. / Obstfeld :International Trade: Theory and Practice, latest edition.</p> <p>Markusen, J.R.: International Trade: Theory and Evidence, McGraw Hill, latest edition.</p> <p>Ethier, W.J.: Modern International Economics, Norton, latest edition.</p> <p>Husted, S./Melvin, M.: International Economics, Harper Collins, latest edition.</p> <p>Chacholiades, M.: International Economics, McGraw Hill, latest edition.</p>

Assessment	<table border="1"> <tr> <td data-bbox="475 255 1011 293">Examinations</td> <td data-bbox="1011 255 1241 293">60%</td> </tr> <tr> <td data-bbox="475 293 1011 331">Class Participation and Attendance</td> <td data-bbox="1011 293 1241 331">10%</td> </tr> <tr> <td data-bbox="475 331 1011 369">Assignments</td> <td data-bbox="1011 331 1241 369">30%</td> </tr> <tr> <td></td> <td data-bbox="1011 369 1241 407">100%</td> </tr> </table>	Examinations	60%	Class Participation and Attendance	10%	Assignments	30%		100%
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Language	English								