

University of Jordan	
Faculty of Business	
Department	Business Economics
Program	Bachelor
Module title / number	International Trade Theory (1607330)
Teaching staff	
Office location	Business Economics, Building #2, First floor
Phone	24156
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Office hours	10-11 AM All days
Pre-requisite	Principles of Microeconomics (11607110)
Module description	<p>It analyzes the causes and consequences of international trade. Various theories of international trade and its extensions will be explained and evaluated in both perfect and imperfect competition, with some reference to the empirical evidence. Some of the essential questions that will be addressed:</p> <p>Why do countries trade? Are countries better off because they trade? Are both trading partners better off? Who gains and who loses within a country? What is the relation between trade and growth?</p> <p>What if markets don't work perfectly? How does that affect our assessments?</p>
Aims	<ol style="list-style-type: none"> 1- To introduce students to international economic concepts and ideas. 2- To develop the ability to reason accurately and objectively about international economic issues. 3- To aid students in judging what kinds of decisions, policies, and behavior are sensible from an international perspective. 4- Enable students to understand international trade flows incentives, directions, and effects. 5- To highlight the relation between international trade and economic growth and welfare.

Intended learning outcomes (ILOs)

Successful completion of this course should lead to the following learning outcomes:

a- Knowledge and understanding:

- A1) Understand basic concepts foreign trade.
- A2) Demonstrate a knowledge and understanding of different international trade theories
- A3) Understand foreign trade structure of Jordan
- A4) Describe and understand the links between foreign trade and growth
- A5) understand international trade under different market structures (competitive versus noncompetitive markets)

b- Intellectual skills:

- B1) Prepare and present reports using critical thinking, trade data, and international trade theories
- B2) Explain the mechanisms of international flows of commodities and factors
- B3) The ability to relate local economic developments to international economic developments
- B4) The ability to use computers and internet to access trade flows data and sources.

c- Subject specific skills:

- C1) Apply international trade theories to relate domestic equilibrium prices to foreign prices
- C2) Employ trade models to analyze the effects of trade on production, prices and terms of trade, and economic growth
- C3) Use micro and macro-economic tools to assess net gains from international trade
- C4) Develop the skills required to relate domestic economy equilibrium/disequilibrium to domestic and foreign influences
- C5) Analyze international commodities flows directions and causes, and explain migration incentives and disincentives.

d- Transferable skills:

- D1) Gather data for basic economic research from various sources, including the computer and other forms of electronic media, such as the Internet.
- D2) Acquire English language command of international trade concepts and definitions.
- D3) Demonstrate knowledge and skills necessary for integrating information technology into global trade.

Teaching and learning methods					
<p>Duration: 16 weeks, 48 hours in total Lectures: 28 hours, 3 per week (including two 1-hour midterm exams) Case study: 8 hours Tutorials: 6 hours Applications: 6 hours Laboratory: -</p>					
Teaching Methods					
Methods	Lectures	Case study	Tutorials	Laboratory	Applications
Objectives learning outcomes	A1 A2 A3 A4 A5 B2 B3 B4 C1 C2 C3 C4 C5 D2	A3 A5 B1 B4 C4 D1 D3	A3 A4 A5 B1 B4 C2 C5 D1	-	A2 A4 A5 B3 C1 C2 C3 C5 D1 D3
assessments	Exams + Assignments	Exams + Assignments	Project + presentation	Project + Assignments	Exams + Assignments
Academic Honesty					
			<i>All the assignments and work submitted by the student should be his or her own. All actions of academic dishonesty including cheating, plagiarism or helping other students in such actions will be dealt with strictly according to the university regulations.</i>		
Main textbook(s) and additional readings					
1- Talib Awad		International Trade: Theory and Policy , The University of Jordan, Amman, 1995.			
2- Paul R. Krugman and Maurice Obstfeld		International Economics: Theory and Policy, Sixth Edition. Boston: Addison-Wesley, 2003.			
Detailed lecture schedule					
Unit 1: Introduction to International Economics (6 Hrs)					
Unit 2: Labor Productivity and Comparative Advantage (8 Hrs)					
Exam #1					
Unit 3: Resources and Trade: The Heckscher-Ohlin Model (8 Hrs)					
Unit 4: The Standard Trade Model (4 Hrs)					
Unit 5: Modern Theories of International Trade: Economies of Scale, Imperfect Competition, and International Trade (6 Hrs)					
Exam #2					

Unit 6: International Factor Movements (10 Hrs)

Immigration

Multinational Enterprise

Unit 7: Applications on Foreign Trade of Jordan (6 Hrs)

Exam #3 (Final): Cover all units with higher weights given to units not covered in the previous exams.