

Module title		Abbreviation
Trade Policy and the World Trading System		12-M-TP-161-m01
Module coordinator		Module offered by
Holder of the Chair of International Economics		Faculty of Business Management and Economics
ECTS	Method of grading	Only after succ. compl. of module(s)
5	numerical grade	--
Duration	Module level	Other prerequisites
1 semester	graduate	--
Contents		
<p><u>Content</u></p> <p>The module starts out with a sketch of key facts and the evolution of the world trading system as well as current trade policy controversies. The main part of the lecture deals with trade policy instruments (e.g. tariffs and quotas) and arguments in favor of trade policy interventions (the terms of trade, strategic trade policy, infant industries, industrial policy, environmental policy). Political economy issues are also addressed.</p> <p><u>Outline</u></p> <ol style="list-style-type: none"> 1 The evolution of the world trading system and current issues 2 Trade policy instruments and their effects under perfect competition 3 The competition effect of trade opening 4 Domestic distortions 5 International market power and trade policy 6 Political economy and the world trading system <p><u>Literatur:</u></p> <p>The main text used is:</p> <p>Helpman, E. und P.R. Krugman (1989). Trade Policy and Market Structure. The MIT Press, Cambridge, Massachusetts.</p> <p>The following monographs cover the evolution of the world trading system and the evolution of ideas in trade policy making:</p> <p>Bhagwati, J. (2002). Free Trade Today, Princeton University Press</p> <p>Bhagwati, J. (2005). In Defense of Globalization. Oxford University Press</p> <p>Irwin, D. (2020). Free Trade Under Fire, Princeton University Press, 5th Edition (as well as former editions partially containing further material)</p> <p>Irwin, D. (1996). Against the Tide. An Intellectual History of Free Trade, Princeton University Press</p> <p>Basic refreshers are</p> <p>Krugman, P.R., M. Obstfeld und M. Melitz (2018), International Economics. Theory and Policy. Addison-Wesley, 11th Edition</p> <p>Caves, R., R.W. Jones und J.A. Frankel (2007), World Trade and Payments. An Introduction. Addison-Wesley, 10th Edition</p>		

This literature is complemented by papers from scholarly journals.

Intended learning outcomes

Students acquire the ability to critically understand the effects and issues associated with the use of trade policy instruments. They are enabled to understand and evaluate the causes and consequences of interventions in international trade on the aggregate economy, producers and consumers, the foreign trading partners and the world trading system both analytically as well as in an intuitive manner. Students also acquire the scientific knowledge to grasp the factors determining the structure and dynamics of the world trading order.

Courses (type, number of weekly contact hours, language – if other than German)

Ü (2) + V (2)

Method of assessment (type, scope, language – if other than German, examination offered – if not every semester, information on whether module is creditable for bonus)

a) written examination (approx. 60 to 120 minutes) or b) term paper (approx. 15 to 20 pages)
Language of assessment: German and/or English

Allocation of places

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Additional information

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Workload

150 h

Teaching cycle

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Referred to in LPO I (examination regulations for teaching-degree programmes)

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Module appears in

Master's degree (1 major) Economathematics (2016)
Master's degree (1 major) Business Management (2015)
Master's degree (1 major) China Business and Economics (2016)
Master's degree (1 major) International Economic Policy (2015)
Master's degree (1 major) Media Communication (2016)
Master's degree (1 major) China Language and Economy (2016)
Master's degree (1 major) Media Communication (2018)
Master's degree (1 major) Media Communication (2019)