

Universidad Latinoamericana de Ciencia y Tecnología
Bachelor of Science in Business Administration

Course	International Trade
Code	20-1006
Credits	3
Requisites	None
Mode	Regular
Type	Theory and Practice
Administrative Instructions	The course uses the Internet extensively, as well as the digital database, EBSCO, therefore it is mandatory for the student to have internet access from home.

Purpose of the course

How do professional international economists think? Which is the best way to approach important policy problems in the international arena? What are the important theorems of international trade? Why do businesses differ in other cultures? Why are products the same (or different) in countries? This course will analyze the causes and consequences of international trade and investment. We will investigate why nations trade, what they trade, and who gains (or not) from this trade. We will then analyze the motives for countries or organizations to restrict or regulate international trade and study the effects of such policies on economic welfare. Topics covered will include the effects of trade on economic growth and wage inequality, multinationals and foreign direct investment, international trade agreements and current trade policy disputes. We will also spend some time discussing aspects of the current debate on "globalization" such as the use of international labor standards, interactions between trade and environmental concerns. The course will heavily rely on economic modeling to help us understand these events.

Upon completion of this course, you will be able to define the nature of international trade and the environments in which it is conducted; the continuing importance of international organizations and the international monetary system, and how it affects business. You will be able to analyze the efficacy of trade policy, considering both intended and unintended consequences of policy choices with particular attention paid to the changing geopolitical environment in which these policies exist.

Competences

Units of Competence	Elements of Competence	Context in which the competence is applied
Disciplinary Competence:	The student will be able to:	The student shows the mastering of the competence in learning activities such as:
<p>To comprehend the role of trade, protectionism, and monetary markets in the global economy.</p>	<ul style="list-style-type: none"> ▪ Explain the value of studying international trade. ▪ Identify some present trends and how they are affecting the world economy and international trade. ▪ Apply basic concepts of international trade to your daily life as well as specific situations. <p>Comprehend the main environments affecting international trade.</p> <ul style="list-style-type: none"> ▪ Understand the importance and characteristics of the world economic geography. ▪ Understand geographic, natural, political, and cultural differences. ▪ Identify basic trade concepts used in daily newspapers, magazines, radio and TV broadcasts. <p>Explain basic events and phenomena related international trade that take place daily.</p> <ul style="list-style-type: none"> ▪ Explain the purpose and importance of international trade and investment theory. ▪ Comprehend the arguments for imposing trade restrictions. ▪ Understand the main aspects of the history of international trade. <p>Analyze the present trends in economic thought with regard to</p>	<ul style="list-style-type: none"> • Case analysis.

	<p>the world economy and trade.</p> <ul style="list-style-type: none"> ▪ Identify the key elements of the global monetary system. ▪ Explain the developments shaping the world monetary system from the end of World War II to the present. ▪ Understand the balance of payments. <p>Locate, organize, and analyze trade data to get insightful conclusions. Such data include exports and imports either in aggregate terms or for specific goods and services for individual countries, trade patterns for the US and other countries, trade deficits, and tariff rates.</p> <ul style="list-style-type: none"> ▪ Focus on the global company per se. <p>Critically evaluate the claims of politicians and other policymakers regarding the welfare effects of their proposals of international trade.</p>	
General Competence		
To show competence for learning and for looking for personal and professional effectiveness.,	Creative thinking	<ul style="list-style-type: none"> • Uses his/her creativity in applying solving business administration problems faced in every day managerial situations.
	Communication.	<ul style="list-style-type: none"> • Communicates verbally, non-verbally and in writing with his/her peers, professor and general public, in a variety of forms and contexts.
	Collaborate.	<ul style="list-style-type: none"> • Collaborates and interacts with others with effectiveness and respect.
	Reasoning.	<ul style="list-style-type: none"> • Uses reasoning when

		synthesizing information, establishing arguments, evaluation alternatives and establishing conclusions, when communicating with peers and professors.
	Uses information technology and communication.	<ul style="list-style-type: none"> • Uses information technology and communications to do research, to organize, evaluate and communicate information.
	Uses scientific methods and tools.	<ul style="list-style-type: none"> • Uses scientific methods when doing research and before arriving to conclusions.
	Personal effectiveness	<ul style="list-style-type: none"> • En su desempeño e interacción con otros en las actividades de aprendizaje del curso, muestra iniciativa, responsabilidad, ética, liderazgo y productividad así como capacidades de autogestión, y disposiciones hacia el cambio.

Teaching Methodology

SOCRATIC DIALOGUE: Most of the sessions will follow an open discussion format under the Socratic dialogue, in which the professor assumes the conducting role of the discussion between him/her and the student, or as a mediator between students.

ONLINE EDUCATION: The student will learn through Reading the material, the interaction with the professor and students in class, and through electronic means.

CASE METHODOLOGY: The student will read and analyze the case, individually or in groups, in order to acquire knowledge about the topic, and to be capable of making decisions on scenarios where not all the information is available.

Evaluation Methodology

The course grading is divided according to the following items:

Activity	%
Participation	15%
In Class Reading Comprehension and Homeworks	20%
Forums (4)	20%
Course project	40%
Course evaluation (CEPA)	5%
Total	100%

- **Participation 15%**

1. Attendance is mandatory. Failing to attend the class more than 3 times will automatically fail you. You must always let the professor know in advance if you are not going to make it to class; however, excusing yourself will not eliminate the attendance requirement.
 1. Using your mobile or computer while the professor or your fellow students are talking will count is not considered as attendance.
 2. Leaving the class early is not as attendance.
2. Participation means that you must actively engage in all of the class activities. **Just being present in the classroom is not considered participation.**

Rubric (2% per session)

Points per session	Criteria
2	<p>Attendance: The student showed up in time and remained in class throughout the class.</p> <p>Participation: The student read the material and actively participated, significantly enhancing the learning experience for him/her and classmates. The student actively listened to his/her peers and commented on their opinions.</p>
1.5	<p>Attendance: The student showed up in time but did not remain in class throughout the class OR the student showed up late for class.</p> <p>Participation: The student actively participated, significantly enhancing the learning experience for him/her and classmates. The student actively listened to his/her peers and commented on their opinions.</p>
1	<p>Attendance: The student showed up in time and remained in class throughout the class.</p> <p>Participation: The student did not actively participate. Sometimes, the student was distracted by electronic devices or by talking to other classmates.</p>
0.5	<p>Attendance: The student showed up in time and remained in class throughout the class.</p> <p>Participation: The student did not actively participate. All the time, the student was distracted by electronic devices or by talking to other classmates.</p>

0.25	<p>Attendance: The student showed up in time but did not remain in class throughout the class OR the student showed up late for class.</p> <p>Participation: The student did not actively participate. All the time, the student was distracted by electronic devices or by talking to other classmates.</p>
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- **In-class Reading Comprehension and Homeworks 20%**

Every other week the instructor will apply a reading comprehension quiz in order to make sure that the students are developing the appropriate competence during the course. In order to prepare for each class, the student must read the chapters ahead and do the exercises from the textbook.

The instructor will assign a homework for the student to practice the concepts developed during the weeks. The homeworks must be submitted via Blackboard, unless otherwise specify by the instructor.

Course evaluation (CEPA) 5%

Students should fill the online course evaluation, which is a reflection of the teaching-learning process they are going through. This evaluation will be available on Blackboard during weeks 12 and 13 and is worth 5% of the grade.

ACADEMIC HONESTY

ULACIT endorses high ideals and rigorous standards of academic life. For the effects of this course, it is expected that participants avoid dishonest behavior such as fraud or plagiarism. Fraud includes making up data, falsifying bibliography, using projects elaborated by third parties, obtaining unauthorized help in classified tasks or for other

persons to do your work. Plagiarism includes literally copying phrases, sentences, paragraphs and fragments of printed materials, Internet, and other sources, without giving credit to the original author; as well as paraphrasing without citing the source. **Plagiarism will make you immediately fail the course.**

ATTENTION TO DIVERSITY

The curricular approach at ULACIT focuses on the development of competencies through the completion of projects, allowing students to fulfill the academic requirements based on their own learning styles, abilities, and individual interests. The primary responsibility of learning is placed on the student; the instructor is responsible for setting course expectations from start, offering the required support to satisfy them, and awarding a level of flexibility that allows each student to choose how he or she will fulfill the course goals and work at his own pace in the completion of the projects assigned. Furthermore, the instructor will provide the required learning materials, along with continuous feedback using the rubrics designed for each project. The feedback is of a qualitative as well as quantitative nature. The use of technological tools and collaborative work allows the professor to tailor the educational process to the abilities of each student. If you have any additional special educational needs, please contact Shirley Garita, Director of the Center of Student Counseling and Psychology, writing an e-mail to the following address: diversidad@ulacit.ac.cr.

Educational Resources

The course has the following education technology to continuously support the teaching-learning process:

- a) On-line education platform Blackboard, which includes tools for synchronic and asynchronic communication between the professor and the students, as well as areas to make available to students grades, files, web pages and evaluations.
- b) Printed resources in the Alberto Cañas Escalante Library.

- c) Virtual EBSCO Library, from which it is possible to access scientific papers in full text for research papers.
- d) Computer with Internet access and software for doing projects.

Bibliography:

Mandatory:

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Suggested:

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Bhagwati, J.N. *Free Trade Today*, Princeton University Press, January 2002.

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Daniels, John, Ernest Ogram, Jr. and Lee Radebaugh. *International Business, Environments and Operations*. Reading, Mass. Addison-Wesley Publishing Company.

DeMelo, Jaime de and David Tarr, *A General Equilibrium Analysis of US Trade Policy*, MIT Press, 1992

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Finger, J.M. ed. *Antidumping: How it Works and Who Gets Hurt*, University of Michigan Press, 1993

Gibbs, R., O. Gokcekus and E. Tower, "Is talk cheap? Buying Congressional Testimony with Campaign Contributions." Duke Economics Department Working Paper, On the Duke economics web page. July 2002.

Hartigan and Tower, "Trade Policy and the American Income Distribution," *Review of Economics and Statistics*, May 1982, 261-70.

Husted & Melvin, *International Economics*, 5th edition, Addison-Wesley, 2000.

J. N. Bhagwati, A. Panagariya and T. N. Srinivasan, Lectures on International Trade, 2nd edition, MIT Press, 1998. (B-S)

James Bovard, *The Fair Trade Fraud*, St. Martins Press, 1991

Kaempfer, W. H., E. and T.D. Willett, "Trade Protectionism." Forthcoming in *The Encyclopedia of Public Choice*. Also, a working paper on the Duke economics web site.

Leland Yeager and David G. Tuerck, *Trade Policy and the Price System*, International Textbook Company, 1966.

Loo, T. and Tower, E., "Agricultural Protectionism and the Less Developed Countries: The Relationship Between Agricultural Prices, Debt Servicing Capacities and the Need for Development Aid," Chapter 2 of Andrew B. Stoeckel, David Vincent and Sandy Cuthbertson, (eds.), *Macroeconomic Consequences of Farm Support Policies*, Duke University Press, 1989, 64-93. Summarized on p. 59 of *The Economist*, June 4, 1988.

Rosenberg, Jerry M. *Dictionary of Business and Management*. New York: John Wiley and Sons, Inc., 1992.

Salvatore, *International Economics*, 6th edition, Prentice Hall, 1998.

Tosini, S. and E. Tower, "The Textile Bill of 1985: Determinants of Congressional Voting Patterns," *Public Choice*, May 1987, 399-402.

Tower, E. and T. Loo, "Agricultural Liberalization, Welfare, Revenue and Nutrition in LDCs," chapter 11 of Ian Golden and Odin Knudsen, (eds.) *Agricultural Trade Liberalization: Implications for Developing countries*. OECD/World Bank, 1990, 307-42.

Tower, E., "The Optimum Quota and Retaliation," *Review of Economic Studies*, October 1975, 623-30.

COURSE SYLLABUS



Tower, E., H. Baas and A. Sheer, "Tariff Warfare"

W. Charles Sawyer, Richard L. Sprinkle. International Economics. Prentice Hall, 2006.

Yarbrough & Yarbrough, The World Economy, 5th edition, The Dryden Press, 2000.

Class Schedule

WEEK	CONTENT	Teaching Strategy	Learning Activity
1	Course Description Globalizing Business	Individual reading of syllabus. Individual reading of chapter.	Read Course Syllabus
2	Understanding Politics, Laws and Economics. Emphasizing Cultures, Ethics & Norms	Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 1 Read: Chapter 2
3	Trading Internationally Investing Abroad Directly	Group preparation for in class discussion. Group discussion.	Read: Chapter 3 Read: Chapter 4
4	FORUM # 1	Individual preparation for in class discussion. Group discussion.	
5	Dealing with foreign exchange Capitalizing on Global & Regional Integration	Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 5 Read: Chapter 6
6	Capitalizing on Global & Regional Integration - II Growing & Internationalizing the Entrepreneurial Firm Entering Foreign Markets	Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 7 Read: Chapter 8

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7	FORUM # 2	Individual preparation for in class discussion. Group discussion.	
8	Costa Rica's Free Trade Agreements discussion	Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 9 Read: Chapter 10
9		Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 11 Read: Chapter 12
10	FORUM # 3	Individual preparation for in class discussion. Group discussion.	
11	Documentary analysis	Individual reading of chapter. Individual preparation for in class discussion. Group discussion.	Read: Chapter 13
12	FORUM # 4		
13			Teams will present final case analysis and recommendations.

COURSE SYLLABUS



14	HOLIDAY (EASTER WEEK)		NO CLASSES
15	Wrap up		Teams will present final case analysis and recommendations.