This course will examine various topics related to either international trade, Third World development, or interactions between the two. Examples include effects of trade policy on growth; effects of the North American Free Trade Agreement; the effects of trade liberalization on workers, both in rich and poor countries; the effects of multinational firms; child labor; and the role of the World Trade Organization. The course will be structured on student presentations and a directed research project. Prerequisites are Intermediate Microeconomics and either International Trade or Economic Development. Some background in econometrics will be extremely helpful.

Grading will be based on in-class presentations (20%), participation in class and online discussion (10%), a term paper proposal due on Thursday, March 5 (10%), a term paper (50%) due on Tuesday, April 28, and a brief exam on Saturday, May 2, at 9:00am (10%).

Class presentations in the first half of the course will be based on papers selected from the list below (although if a student is very interested in something not on the list, I am open to suggestion). Those readings below that are listed as ‘background’ are not intended for presentations, but merely as helpful additional reading on the topic at hand.

Students who are not presenting on a given day are required to familiarize themselves with the readings for that class, to attend class, and to participate in class discussion. Students will submit questions or comments on the papers to the discussion thread on the class collab page. Questions or comments on each paper scheduled for presentation need to be submitted by 6:00pm the day before the presentation, and these submissions or comments will be evaluated as part of class participation. I will occasionally post additional materials under the heading “Current issues and controversies,” with questions that we will address in online discussion on collab.

This course puts high demands on the students, and each member of the class needs to understand his/her responsibility for keeping the class running well. Please make sure that you know for which dates and papers you are responsible (double-check on the calendar). The onus is on you to make sure that you have not signed up for a paper already taken by another student. If you miss your day without a good reason, you are liable to forfeiture of your grade for that presentation. If everyone does his or her part, the class should be invigorating and instructive for each one of us.

The first week, we will focus on basics of empirical technique and how to give an effective presentation. The discussion will focus on a paper that is on the collab site:


Everyone will need to read this paper in time for the third class (you can focus on the first 16
pages), and we will do an empirical exercise together using data from it using STATA (or other software if you prefer).

**TOPICS.**

1. **Growth strategies: Trade policy and beyond.**


**Background (not for presentation):** (1) McLaren chapter 9.


2. **Effects of Globalization on Workers.**


*Background (not for presentation): (1) McLaren Chapter 6.*


3. **Political, Legal, Social Institutions and Economic Outcomes in Development.**


*Background (not for presentation): McLaren Chapter 14, section 1.*

4. **Foreign Direct Investment I: Sweatshops and other host-country effects.**


Background (not for presentation): (1) McLaren Chapter 14, section 2.


5. Foreign Direct Investment II: Outsourcing and other source-country effects.


Background (not for presentation): (1) McLaren Chapter 11.


6. Immigration.


Background (not for presentation): (1) McLaren Chapter 12.


7. NAFTA and Other Regional Trade Arrangements.


Background (not for presentation): McLaren Chapter 15.