Methods of Analysis for International Commerce and Policy
ITRN 501-001, Spring 2020

Instructor: Isaac Wohl
Office hours: Thursday 6:00 – 7:00pm and by appointment
Office location: Van Metre Hall 656
Email: iwohl@gmu.edu

LEARNING OUTCOMES

• Students will understand key international trade and financial indicators, and will be able to find and interpret economic data from primary sources.
• Students will be able to use statistical methods to analyze, find patterns in, and test hypotheses about international trade data.
• Students will be able to effectively communicate international trade analysis in memos and presentations.

TEXTBOOKS AND SOURCES

• Individual chapters, available as e-reserves on Blackboard, from:
  o Mendenhall, William; Robert Beaver; and Barbara Beaver (MBB). *Introduction to Probability and Statistics*. 2012.
• Other documents (articles, case studies, reports, blog posts etc.) as assigned.
• Students are encouraged to regularly read the *Financial Times* “Trade Secrets” briefing: https://www.ft.com/trade-secrets
GRADING

20% – Class presentations, negotiation exercise, and participation

Students will give presentations on course topics, participate in a negotiation exercise, and contribute to class discussions. Effective class participation requires reading the assigned materials.

20% – Problem sets

The first two problem sets will cover economic indicators and data sources. The third and fourth will cover statistical analysis. There will be no credit for late assignments.

20% – Midterm exam and USMCA memo

A written in-class exam will cover the first half of the course. Additionally, students will write short persuasive memos about the United States-Mexico-Canada Agreement.

40% – Final memos and presentations

Students, collaborating in small groups, will produce analytical memos focusing on a single country involved in current trade negotiations. Final memos will incorporate comments from initial memo drafts. Students will present their analysis in class. Both the memos and the presentations should be substantive yet concise: the target audience is busy policymakers with some quantitative background.

CLASS SCHEDULE (this is preliminary and subject to change)

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
<th>Assignments due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 30</td>
<td>Trade economics</td>
<td>● KOM chapter 3</td>
<td>(Ungraded) Take the FINRA Financial Literacy Quiz, located here.</td>
</tr>
<tr>
<td>Feb 6</td>
<td>Macroeconomics</td>
<td>● Mankiw chapter 3</td>
<td>Problem set 1</td>
</tr>
<tr>
<td>Date</td>
<td>Topic</td>
<td>References</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>----------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>
| Feb 13| Exports and imports        | ● CFJ chapter 15  
● Economist, “The Good and Bad in Germany’s Economic Model are Strongly Linked,” Jul 8, 2017.  
● Brynjolfsson and McAfee, “Why Workers are Losing the War Against Machines,” Atlantic, 2011.  
| Mar 5 | MIDTERM EXAM               |                                                                                                                                                                                                          |
| Mar 12| SPRING BREAK – NO CLASS    |                                                                                                                                                                                                          |
| Mar 19| Descriptive statistics     | ● MBB chapter 4  
● DCB chapters 1.2-1.3  
● Numbers Guide chapters 1, 3, 7 |
| Mar 26| Statistical inference      | ● DCB chapters 5.1-5.2  
● Numbers Guide chapter 5  
● Silver chapters 1-2 |
| Apr 2 | Regression analysis 1      | ● Stock and Watson chapter 4  
● DCB chapters 8.1-8.2  
● Aschwanden, “Science Isn’t Broken,” FiveThirtyEight, Aug 19, 2015. | (Ungraded) Use the tool on “Science Isn’t Broken” to find |
<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Reading/Assignments</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 9</td>
<td>Regression analysis 2</td>
<td>● DCB chapter 9.1</td>
<td>Problem set 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● Silver chapters 5-6</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>● Planet Money, <em>Trade Deal Confidential,</em> Jun 2015 (audio).</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>● Villarreal and Ferguson, <em>NAFTA Renegotiation and the Proposed U.S.-Mexico-Canada Agreement (USMCA),</em> Feb 2019. (Focus on Summary and Introduction; skim the rest.)</td>
<td></td>
</tr>
<tr>
<td>Apr 30</td>
<td>Trade and growth</td>
<td>● Acemoglu and Robinson chapter 1</td>
<td>Final memos</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● Pritchett and Werker, <em>Developing the Guts of a GUT,</em> 2012.</td>
<td></td>
</tr>
<tr>
<td>May 7</td>
<td>SKINOL PRESENTATIONS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**DATA SOURCES**

- Bureau of Economic Analysis: [https://apps.bea.gov/iTable/index_ita.cfm](https://apps.bea.gov/iTable/index_ita.cfm)
- Eurostat: [http://ec.europa.eu/eurostat](http://ec.europa.eu/eurostat)
- OECD.Stat: [https://stats.oecd.org/](https://stats.oecd.org/)
- USITC’s DataWeb: [https://dataweb.usitc.gov/](https://dataweb.usitc.gov/)
• World Bank’s World Development Indicators: [https://databank.worldbank.org/source/world-development-indicators](https://databank.worldbank.org/source/world-development-indicators)
• World Bank’s World Integrated Trade Solution: [https://wits.worldbank.org/](https://wits.worldbank.org/)
• World Trade Organization’s International Trade and Tariff Data: [http://www.wto.org/english/res_e/statis_e/statis_e.htm](http://www.wto.org/english/res_e/statis_e/statis_e.htm)

### ADDITIONAL INFORMATION

This course requires familiarity with Microsoft Excel. Some helpful resources for Excel:

[https://support.office.com/en-us/article/excel-for-windows-training-9bc05390-e94c-46af-a5b3-d7c22f6990bb](https://support.office.com/en-us/article/excel-for-windows-training-9bc05390-e94c-46af-a5b3-d7c22f6990bb)

### ACADEMIC ACCOMMODATION FOR A DISABILITY

If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at (703) 993-2474. All academic accommodations must be arranged through the DRC.

### SPGIA POLICY ON PLAGIARISM

The profession of scholarship and the intellectual life of a university as well as the field of public policy inquiry depend fundamentally on a foundation of trust. Thus any act of plagiarism strikes at the heart of the meaning of the university and the purpose of the School of Policy, Government, and International Affairs. It constitutes a serious breach of professional ethics and it is unacceptable.

Plagiarism is the use of another’s words or ideas presented as one’s own. It includes, among other things, the use of specific words, ideas, or frameworks that are the product of another’s work. Honesty and thoroughness in citing sources are essential to professional accountability and personal responsibility. Appropriate citation is necessary so that arguments, evidence, and claims can be critically examined.

Plagiarism is wrong because of the injustice it does to the person whose ideas are stolen. But it is also wrong because it constitutes lying to one’s professional colleagues. From a prudential perspective, it is shortsighted and self-defeating, and it can ruin a professional career.

The faculty of the School of Policy, Government, and International Affairs takes plagiarism seriously and has adopted a zero tolerance policy. Any plagiarized assignment will receive an automatic grade of “F.” This may lead to failure for the course, resulting in dismissal from the university. This dismissal will be noted on the student’s transcript. For foreign students who are on a university-sponsored visa (e.g. F-1, J-1 or J-2), dismissal also results in the revocation of their visa.

To help enforce the SPGIA policy on plagiarism, all written work submitted in partial fulfillment of course or degree requirements must be available in electronic form so that it can be compared with electronic databases, as well as
submitted to commercial services to which the School subscribes. Faculty may at any time submit a student’s work without prior permission from the student. Individual instructors may require that written work be submitted in electronic as well as printed form. The SPGIA policy on plagiarism is supplementary to the George Mason University Honor Code; it is not intended to replace it or substitute for it.