Methods of Analysis for International Commerce and Policy
ITRN 501-002, Spring 2018

Instructor: Isaac Wohl
Office hours: Thursday 6:00 – 7:00pm and by appointment
Thursday 7:20pm – 10:00pm
Room: ARLFH 310
Office location: ARLFH 656
Jan 25, 2018 – May 10, 2018
Email: iwohl@gmu.edu

LEARNING OUTCOMES

• Students will understand key international trade and finance indicators, and be able to find and critically interpret international 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 present international trade analysis in written and oral form to policymakers.

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:
  o Martin Wolf’s *Financial Times* column: [https://www.ft.com/comment/columnists/martin-wolf](https://www.ft.com/comment/columnists/martin-wolf)
GRADING

20% Class presentations, negotiation exercise, and participation

Students will give short presentations on course topics, participate in a negotiation exercise, and be responsible for contributing to class discussions. Effective class participation requires that you read the assigned readings.

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 NAFTA memo

A written in-class exam will cover the first half of the course material. Students will write short persuasive memos about the North American Free Trade 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 outline is preliminary and subject to change)

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
<th>Assignments due</th>
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<tr>
<td>Date</td>
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| Feb 22   | Money and exchange rates      | ● Economist, *“The Good and Bad in Germany’s Economic Model are Strongly Linked,”* Jul 8, 2017.  
  ● Wolf, *“Germany is a Weight on the World,” Financial Times*, Nov 5, 2013.  
  ● Economist, *“What is the Impossible Trinity?”* Sept 10, 2016.  
| Problem set 2 |                              |                                                                      |
| Mar 1    | Trade and labor               | ● Autor, Dorn, and Hanson, *“Untangling Trade and Technology,”* NBER Working Paper, 2013.  
  ● Autor, Dorn, and Hanson, *“The China Shock,”* Jan 2016.  
  ● Brynjolfsson and McAfee, *“Why Workers are Losing the War Against Machines,”* Atlantic, 2011.  
| NAFTA memo |                              |                                                                      |
| Mar 8    |                               | *MIDTERM EXAM*                                                       |
| Mar 15   |                               | *SPRING BREAK – NO CLASS*                                            |
| Mar 22   | Negotiation exercise          |                                                                      |
| Mar 29   | Descriptive statistics        | ● MBB chapter 3  
  ● DBC 1.2-1.3  
  ● Morris, *“The Case for Dennis Rodman, Part 1/4(a),”* 2010.  
  ● *Numbers Guide*, Chapters 1, 3, 7  
| Problem set 3 |                              |                                                                      |
| Apr 5    | Statistical inference         | ● DBC 4.1-4.2  
  ● *Numbers Guide*, Chapter 5  
  ● Silver chapters 1-2  
| Apr 12   | Regression analysis 1         | ● Stock and Watson chapter 4  
  ● Aschwanden, *“Science Isn’t Broken,”* Aug 19, 2015.  
  ● DBC 7.1-7.2  
  ● Dominus, *“When the Revolution Came for Amy Cuddy,”* Oct 18, 2017.  
  ● Silver chapters 3-4  
| Problem set 4 |                              |                                                                      |
| Apr 19   | Regression analysis 2         | ● DBC 8.1  
  ● Head, *“Gravity for Beginners,”* 2000.  
  ● Silver chapters 5-6  
  ● Varian, *“Big Data,”* June 2013.  
| Initial memos |                              |                                                                      |
Apr 26  | Current issues  
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<tr>
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<td>● Planet Money, “Trade Deal Confidential,” June 2015 (audio).</td>
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May 3  | Trade and growth  
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<td>● Acemoglu and Robinson chapter 1</td>
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May 10 | Final memos  
|-----------------|-------------------------------------------------------------|

STUDENT PRESENTATIONS

DATA SOURCES

- Bureau of Economic Analysis: [http://www.bea.gov/international/](http://www.bea.gov/international/)
- Eurostat: [http://ec.europa.eu/eurostat](http://ec.europa.eu/eurostat)
- Observatory of Economic Complexity: [http://atlas.cid.harvard.edu/](http://atlas.cid.harvard.edu/)
- World Trade Organization’s 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 using Excel:

ACADEMIC ACCOMMODATION FOR A DISABILITY

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

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.