ITRN 740.001

TRADE AND REGULATORY COMPLIANCE

Spring 2019
Monday, 7.20-10.00 p.m.
International Commerce and Policy

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Course Description and Goals

This is a survey course designed to acquaint the student with legal, regulatory, and practical issues that arise in the importation and exportation of merchandise. The course will cover the theoretical framework for government oversight of the international movement of goods as well as legal issues that arise between the parties to a transaction and between one or more of those parties and one or more national governments, and also offer practical guidance concerning the structuring of import and export transactions to avoid or minimize potential legal and tariff liability.

The goal of the course is to provide students with the background to identify and understand the myriad issues (particularly legal and regulatory) that arise in planning international shipments of merchandise, and the ability to apply the principles they have learned to “real world” fact situations. Accordingly, the class sessions will involve a mixture of lecture and discussion. Students will be expected to question and comment on the whys and hows of international trade regulation in light of the assigned readings and lecture material.

Texts

(1)  Exporting: Documentation, Regulation, Procedures (“Exporting”), to be available through the instructor.

(2)  Importing into the United States (“Importing”) (United States Customs and Border Protection), available through the Government Printing Office or online.

(3)  Materials to be distributed during the semester (“handouts”).
Grading

In keeping with the course objectives, the instructor will evaluate students’ knowledge and understanding of the various issues raised in the course and their ability to analyze factual situations in light of what they have learned. Grades will be based on both “objective” and “subjective” criteria, i.e., the students will be expected to demonstrate both their knowledge of the course material and their application of that knowledge by solving hypothetical factual problems.

There will be two examinations, both of which will be take-home. Both exams will emphasize essay questions in which students demonstrate their analytical abilities, but will also include questions designed to test fundamental knowledge of the course materials. Thus, there will be a mix of “objective” questions designed to test your knowledge and understanding of the course topics, and questions designed to measure your ability to apply the concepts learned in class to unfamiliar fact patterns.

The instructor strongly encourages class participation, and hopes to encounter questions, disagreements, policy discussions, and examples (cautionary or otherwise) based on student experiences. Ideally, class discussion will demonstrate familiarity with the assigned texts and comprehension of preceding in-class discussions, ability to ask or respond to questions that arise from the texts and discussions, and ability to identify and analyze issues.

Grading will be divided as follows.

Mid-term exam -- 30%
Final exam -- 60%
Class participation -- 10%

Tentative Schedule

We will cover the following topics. The schedule has some built-in flexibility to allow us to cover additional topics, depending on the students' interests.

Monday, January 28 -- Introduction and Overview; Administrative Matters; The Importing Process

Monday, February 4 -- Commercial Background to International Sales
Reading: Exporting chapters 1 and 2.
Importing chapters 1-5; Handout 1.

Monday, February 11 -- Import and Export Documents, INCOTERMS and Transportation
Monday, February 18 -- Tariff Classification
READING: *Exporting* chapter 3 and 8; *Importing* chapters 10-12.

Monday, February 25 -- Tariff Classification
READING: *Exporting* chapter 5; *Importing* chapter 24; Handout 2.

Monday, March 4 -- Valuation of Imported Merchandise
READING: *Importing* chapters 26-28 and appendix part 3; Handout 3.

Monday, March 11 -- **SPRING BREAK**

Monday, March 18 -- Rules of Origin; The North American Free Trade Agreement and Other Free Trade Agreements
READING: Handout 4; *Importing* chapter 16.

Monday, March 25 -- Tariff Reduction Programs
READING: Handout 5; *Importing* chapters 15, 17-21, 23.

Monday, April 1 -- **MIDTERM EXAM AND PRE-EXAM REVIEW**

Monday, April 8 -- Compliance and Enforcement Issues: Recordkeeping, Marking, Penalties, Antidumping, etc.
READING: Handout 6; *Importing* chapters 18, 25-33.

Monday, April 15 -- Cargo Security Initiatives; Other Agency Requirements (CPSC, FDA and EPA); Foreign Corrupt Practices Act
READING: Handout 7

Monday, April 22 -- Trade Finance/Letters of Credit
READING: *Exporting* chapter 6.

Monday, April 29 -- Exporting Merchandise: Export Controls
READING: *Exporting* chapter 9.

Monday, May 6 -- Exporting Merchandise: Export Controls
READING: *Exporting* chapter 9;
**DISTRIBUTE FINAL EXAM**
If you anticipate that you will be unable to complete an assignment on time, contact the instructor as early as possible to discuss alternative scheduling. Otherwise, late return of assignments may be sanctioned by a one-step reduction (e.g., “A” to “B”) of the grade you otherwise would have received. Note that final exam responses must be returned when scheduled to allow the instructor to meet the University’s time requirements for submitting final grades.

Statement on special needs of students

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

New Voices in Public Policy

I will consider nominating the very best papers in this course for publication in New Voices in Public Policy. New Voices is a student- and faculty-reviewed journal that shares the School’s finest student work with the rest of the world.

Schar School of Policy and Government 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 Schar School of Policy and Government. 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 is 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 Schar School 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 Schar School 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 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 policy on plagiarism is supplementary to the George Mason University Honor Code; it is not intended to replace it or substitute for it. (http://www.gmu.edu/facstaff/handbook/aD.html)

Learning outcome

Knowledge and understanding

The student should have the following knowledge and understanding upon completion of the course:

1. Knowledge of regulatory regime applicable to imports and exports of merchandise.
2. Knowledge of primary sources that establish importers’ and exporters’ legal obligations.
3. Understanding of relationship between commercial and regulatory requirements for import and export transactions.
4. Understanding of how to apply regulatory requirements in practice to individual transactions.

Skills and abilities

The student should have the following skills and abilities upon completion of the course.

1. Ability to identify key regulatory and commercial issues in import and export transactions.
2. Ability to interpret regulatory and commercial requirements applicable to import and export transactions.
3. Ability to explain relevance and applicability of specific regulatory and commercial requirements to specific factual situations.
4. Ability to conduct research in primary source materials to determine the proper course of action in a specific factual situation.