

**UNIVERSITY OF PENNSYLVANIA
WHARTON SCHOOL
DEPARTMENT OF LEGAL STUDIES AND BUSINESS ETHICS
FALL TERM 2008
LGST 219 SYLLABUS
LAW AND POLICY IN INTERNATIONAL BUSINESS**

Monday-Wednesday 3:00-4:30

Professor: David Zaring

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Subject:

This class covers legal issues confronting international trade and business. The focus will be on the regulation of trade between countries, and on other laws regulating the conduct of international business.

Required Books:

We'll read Jackson, Davies, Sykes, International Economic Relations, 5th edition (2008), our casebook, along with its Document Supplement. A Course pack for the course will also be available, and will cover some readings later in the semester. From time to time, I will also assign handouts. n-n below refers to the page numbers of the casebook. I've also pointed you to particular provisions in the document supplement for a number of the classes (that is DS). Questions in the casebook can assist you in focusing on issues; answers do not need to be formally prepared unless a question has been specifically assigned for class discussion.

Course Format:

The course combines lecture, Socratic dialogue, and group discussion. Active class participation is expected. Excellent class participation, as determined by the professor, may result in up to five additional points added to your final score. (Consequently, your final grade may improve by as much as a full letter grade.)

Grading:

- Midterm exam – 40%
- Final exam – 60%

Schedule:

We have 24 topics to cover, and I intend to cover one topic per class, which will give us some time for review and digressions. You should accordingly read the next assignment for the next class, even if we haven't exhausted all discussion of the current one.

TRADE THEORY AND INSTITUTIONS

1. Basic Trade Theory
15-19, 29-55
2. Basic International Law
171-202
3. The GATT and WTO
214-46
DS: WTO Art. IX-XIII (p. 7-11)
4. Dispute Resolution
255-85
DS: GATT Art. XXII-XXIII (p. 47-48), skim the Dispute Settlement Understanding (p. 371-395)
5. More Dispute Resolution
285-306, 367-72

TRADE BARRIERS

6. Tariffs
373-83, 390-97
DS: GATT Art. II, III:8(b); (p. 18-20, 21)
7. Non-Tariff Barriers
423-31, 433-35, 443-44
DS: GATT XI (p. 28-29)

NON-DISCRIMINATION IN TRADE

8. Most Favored Nation
467-71, 475-89
DS: GATT Art. I (p. 17-18)
9. Regionalism
497-516
DS: GATT Art. XXIV (p. 48-50)
10. National Treatment
537-565

DS: GATT Art. III (p. 20-21)

11. More National Treatment
565-585

MIDTERM EXAM

TRADE EXCEPTIONS

12. Health and Security Exceptions
591-614, 1079-85
DS: GATT Art. XX & XXI (p. 45-46)
13. Trade and Environment Exceptions
614-36
14. SPS Agreement
653-669
DS: skim the SPS Agreement (p. 121-133)

TRADE DUMPING AND SUBSIDIES

15. Dumping
752-63, 786-812
DS: GATT Art. VI (p. 23-25), Antidumping Agreement: 2.1, 2.2 (skip 2.2.1, 2.2.2), 3.1, 9.2, 9.3 (first sentence only), 17.6
16. Subsidies
848-880
DS: GATT Art. VI (p. 23-25), skim the Subsidies Code (p. 253-294)
17. More Subsidies
884-906

INSTITUTIONAL ALTERNATIVES TO TREATIES

18. Other International Economic Governance
Course pack tab 1 (ANNE-MARIE SLAUGHTER, A NEW WORLD ORDER 1-20 (2004); Anne-Marie Slaughter & David Zaring, *Networking Goes International: An Update*, 2 ANN. REV. L & SOC. SCI. 211-12, 215-18 (2006); Kal Raustiala, *The Architecture of International Cooperation* 2-8; Eric A. Posner, *International Law And The Disaggregated State*, 32 FLA. ST. U. L. REV. 797, 797-801 (2005)).

REGULATION OF INTERNATIONAL BUSINESS

19. Sovereign Immunity

Course pack tab 2 (FOLSOM, GORDON & SPANOGLE, INTERNATIONAL BUSINESS TRANSACTIONS 1135-1140 (9th ed. 2006))

20. The Act of State Doctrine
Course pack tab 3 (FGS 1140-1148, IAM v. OPEC)
21. Extraterritoriality
Course pack tab 4 (FGS 1290-1307, 1314-1320, Recent Trends in SEC Regulation of Foreign Issuers: How the U.S. Regulatory Regime is Affecting the United States' Historic Position as the World's Principal Capital Market; International Law and Ramifications of the Sarbanes-Oxley Act of 2002)
22. Regulating Foreign Direct Investment (FDI)
Course pack tab 5 (FGS 1152-1183)
23. Foreign Corrupt Practices
Course pack tab 6 (FGS 732-763)
24. Economic Boycotts
Course pack tab 7 (FGS 668-703)

FINAL EXAM