

## **Review of “Open Economy: International Trade Theory and Policy”**

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This is a multimedia M.S. level course in international trade theory and policy presented by Professor Harald von Witzke of the College of Agricultural and Horticultural Sciences at Humboldt University in Berlin, Germany. The course is based upon one taught at the University and several other institutions. It is contained on a single CD-Rom disc which is packaged in a sturdy plastic container, similar in size to a standard DVD movie box. The CD can be run on both Windows and Macintosh machines which have Apple Quicktime software installed. A free version of the required software can be downloaded from <http://www.apple.com/quicktime/download/>. The minimum configuration specified for Microsoft Windows (98/Me/2000/NT/XP) is a Pentium 90MHz machine with 32 MB of RAM and a soundcard. I tested the disc on several machines with Windows XP that were substantially more powerful than this basic specification.

On inserting the disc into a CD drive the user is presented with a start-up screen. This provides a gateway to the course and to a bonus game. On selecting the course option, users then can choose a content menu or a search feature. There are five sections under the content menu: 1. start; 2. international trade theory; 3. international trade policy; 4. political economy of international trade policy; and 5. appendix. Section 1 provides an orientation to the course. It contains a short introductory video and a discussion of course objectives. The section on international trade theory deals with neoclassical theory, new trade theory, and monetary theory. The section on international trade policy employs partial equilibrium analysis to examine the determination of world prices and the effects of a range of trade policy instruments on prices and economic welfare. There is also a discussion of the WTO and regional economic integration. The final section focuses on rent-seeking behavior and trade. There are some case studies, for example, one dealing with the evolution of the EU's Common Agricultural Policy and one dealing with U.S. Agricultural Policy. There is an emphasis on agriculture in the examples used, although this would not seem to present a barrier to students who are interested in a more general course on international trade theory and policy. The final section contains a set of references, in addition to additional information on software and hardware requirements.

Apart from the short introductory video, the standard format for the course is one in which the left two thirds of a presentation panel is devoted to pictures and graphics, and the right third is devoted to text. The text and graphics change as Professor von Witzke provides his commentary. Navigation through the material is through a series of major menu items and sub-items at the foot of the presentation panel. One of the major advantages is that the user can proceed at her or his own pace, and can repeatedly review sections of the material that are found to be more challenging.

Professor von Witzke's presentation of the material is excellent. He provides a clear and concise explanation of the subject matter under each section and subsection. There are some study questions or questions for review contained on the disc, but these are limited in number and could usefully be expanded. My main complaint in using the disc is that

the text in the right panel is small and difficult to read at the resolution recommended for the product (see more on this below). I should note that the machines on which I tested the product had LCD displays and mid-level, rather than top-end graphics cards. I was unable to determine whether the use of a CRT monitor or a higher level graphics card would improve the legibility of the text. In any event, there seemed to be plenty of space to permit the size of the text to be increased, and that would be a major improvement. There were some other minor blemishes that could be eliminated. For example, some spelling mistakes could have been avoided if final editing had been carried out by someone for whom English was their first language. There were a few places in which the timing of the dynamic build of the graphs did not correspond to the commentary, and a few places in which the audio seemed to be slightly clipped or truncated. But these were fairly minor blemishes on what is otherwise an excellent presentation.

I do have one major note of caution. In the appendix section, it is indicated that the CD runs best under a screen resolution of 1024x768. My home and office computers typically operate at a resolution of 1280x1024. When I first began to run the CD, I did not think of consulting the appendix, and tried to progress sequentially through the material. In doing so I encountered repeated problems. I became increasingly frustrated with the message that Quicktime had encountered a problem and was forced to shut down. I tried downloading the latest version of Quicktime (6.5.1) to see if this would solve the problem, but it did not. I examined the disk to see if it was damaged, but it appeared to be in perfect physical condition. I ran the disc on several machines, with various types of CD and DVD drives, but still the problem persisted. It was not until I discovered the instruction in the appendix on the recommended screen resolution and readjusted my settings that the problem seemed to go away. Based on this experience, it would seem highly advisable to have this important requirement indicated in a more prominent place – perhaps on the cover of the CD box.

That caution aside, Professor von Witzke and his team have developed a very high quality product. I would feel comfortable in recommending this to a student who wished to pursue an independent course of study on international trade theory and policy, or in using the product as the basis for a taught course.