ECON*3620 International Trade F15
0.50 Credit weight

General Course Information

Instructor:	Patrick Martin
Email	pmartin@uoguelph.ca
Office Location	MacKinnon 739
Office Hours	Monday 2:00 – 4:00, Thursday 1:00 – 2:00
Department/School	Department of Economics and Finance
TA's	Information will be found on the course homepage on Courselink
Class Schedule:	TTh 10:00 - 11:20 Axel (Alexander) 117
Pre-requisites:	ECON*2310 Intermediate Microeconomics

Course Description

This course provides the student with an understanding of the basic economic concepts underlying the analysis of international trade. The primary objective of the course is to introduce models that enable the student with the ability to explain the pattern and magnitude of trade flows between trading partners. Basic modelling skills using analytical techniques will be taught and applied to topics such as tariffs and subsidies, economic growth and trade, international transfers of income, industrial policy, trade policy and development, and trade and the environment. Special emphasis is given to Canada's international trade agreements and relationships.

Course Assessment

			Associated Learning Outcomes (legend - see end of course outline)	Due Date/ location
Assessment 1:	**15%**	**Assignments (2) @ 7.5% each**	**1,2,5,6,8,9,10**	**Assignment 1: February 23, 4:30PM** **Assignment 2: April 6, 4:30PM**
Assessment 2:	**25%**	**Midterm**	**1,2,5,8,9,10**	**February 26 7 - 9PM (Friday) Location TBA**
Assessment 3:	**10%**	**Group Project**	**3,4,6,7,8,9,10,11**	**Partial Submission Details in Group Project description below** **Final submission** **March 21, 11pm.** **Courselink dropboxes**
Assessment 4:	**5%**	**Presentation /Quiz**	**3,10,11,12,13**	**Presentations: In class March 30 and April 1 Quiz: Fri. April 1**
Assessment 5:	**45%**	**Final Exam**	**1,2,4,5,8,9,10**	**April 20th 2016 11:30am – 1:30pm** **Location TBA**
Total	**100%**			

Teaching and Learning Practices

Lectures

Lectures will closely follow the topics in the textbook. For several of the topics, notably the Ricardian Model (weeks 1 and 2), the Specific Factor Model (week 3), the Heckscher Ohlin Model (weeks 4 and 5), and the Standard Model of Trade (weeks 5 and 6), lectures will be more in depth than the associated readings in the text. I will use the projector in conjunction with either the document camera or a computer (using powerpoint slides) to deliver most of the course material. I will from time to time use the blackboard/whiteboard as well. I may post summaries of my lectures online during the semester for some of the more mathematically and graphically intensive topics.

My role as an instructor is to facilitate learning. Lectures are designed to introduce the course topics, to explain their relevance to Canadian and worldwide trade, and to provide an opportunity for you to ask questions so you can solidify your understanding of the material. Lectures are most useful if you have first read the textbook sections related to the days lectures so that you are acquainted with the terminology and notation used.

I strongly feel that the best way for you to complete the learning process is for you to do problems. To facilitate this I will be assigning both assignments and a group project during the semester. Successful completion of both the assignments and project are the best was to achieve the learning objectives for this course.

Course Resources

Required Texts:

Paul Krugman, Maurice Obstfeld, and Marc Melitz, **International Economics: Theory and Policy**, 10th edition.

You may use the 9th edition of the text if you have access to one (it was used both in Fall 2013 and Winter 2014) as the 10th edition is only a modest revision. However, both I will not support the textbook (you will be responsible for making sure chapter readings, etc. are the same or are different). I will attempt to get a copy of the both editions put on reserve to help you find what the differences are between the 9h edition and the 10th edition.)

The textbook is bundled with MyEconLab software that provides problems from each of the chapters. I will NOT be assigning problems from MyEconLab but I will post the access code so you may use the learning tool if you wish. You can also purchase an electronic version of the textbook bundled with the MyEconLab software rather than the hardcover textbook at a discount if one is available in the bookstore.

Course Policies

Grading Policies

Final Exam Conflicts: Any student who has a time conflict with the final exam may not register for this course. Note the final exam day and time in the Course Assessment section above. Please check immediately to make sure you do not have a conflict.

Assignments: There are two assignments (see Course Assessment above for details). Due dates for the two assignments are given in the Course Assessment section above. If you do not turn in an assignment you will receive a **zero** (both assignments will be posted at least four weeks before they are due so that you have ample time to complete them by the due date). The weight will **not** be placed on the final, except in cases of illness or another compassionate reason, so it is imperative that you complete them on time. I will only allow assignments to be turned in after the due date in **exceptional** circumstances (a prolonged illness or sudden death in the family for instance - having work in other courses is **not** an exceptional circumstance – I expect that to be the case). Given the class size a TA may not assigned to this course and the grading of the assignments will focus only on several sections (determined by myself). A detailed answer key will be posted – typically at the end of the day in which the assignment is due. **Caution:** The assignments themselves are quite long as they cover roughly 4 weeks of reading and lecture material. You should pace yourself, completing that part of the assignment as it is covered in class, so you can finish the assignment. The assignments themselves are algorithmically generated using your student ID number – all students will get a different version of the assignment as a result. I encourage you to work together on the assignments. I normally would caution you to not copy work from your study partners but in this case every student will have a different set of problems so that will not be possible. However, the topics and solution techniques will be the same so study groups should be formed.

Midterm: The midterm (see Course Assessment above for details) covers topics covered in the first five or six chapters of your textbook and any additional material presented during the lecture – the week before the midterm I will tell you the exact coverage of the midterm. If the midterm is missed the midterm may be rescheduled for health or compassionate reasons (with documentation) *only if* a suitable arrangement can be made being myself and the student (you should let me as soon as possible if you will be missing, or have missed, the midterm, so that the probability of a suitable arrangement for a make-up midterm is increased.)

Typically I will schedule a make-up exam in the evening of the following weeks after the midterm. I will post the location and time on the course website. If you cannot take the makeup exam the weight will be shifted to the final exam (a mark will be entered for the midterm you miss that adjusts for any differences in difficulty between the final and the missed exam. For example, if you receive the class mean on the final you will receive the class mean on the exam you missed. In this way students are not advantaged or disadvantaged when the weight of a missed exam is put on the final. The weights of the midterm and final will not be changed during the semester.

Group Project: The group project due date is given in the Course Assessment section above. There will be several milestones that must be completed before the final submission and these will listed on the course website and discussed in class. There will be several dropboxes in Courselink with due dates and times that your group will use to upload project material. At the beginning of the second week of classes you will be asked to list your group members (if not in a group I will assign you to one.). The following week you will be asked to list your project topic – you may want to consult with me during the second week to discuss your topic. The third week you will be submitting a Topic Summary and list of Data series used. The next milestone will be to collect and organize your data so it can be used to create scatterplots and to run regressions. You organized data set will be due the fifth week of classes. You will need to regularly meet with your other group members to be able to satisfy the submission deadlines. During the seventh week you will submit your data set along with regressions and scatter plots. The final project, your excel data file with a 3 to 4 page double spaced summary of the project and results, is due at the beginning of the tenth week. See the section on Course Policy on Group Work below for additional information. All submissions will be to the Project Dropbox on Courselink.

Presentation/Quiz: I will grade the projects during the tenth week of classes and will pick the best three (to five) for presentation on the Wednesday (and Friday if needed) of the eleventh full week of classes. Students in groups that are not presenting will be given a 20 minute "quiz" on the presentations on Friday of that week. Students involved in the group presentations will not have to write the quiz. Detailed project and presentation guidelines will be posted at the beginning of the semester on the course website. If a student misses their presentation they will be given the mark received by the other members of the group if their absence was for medical or compassionate reasons. Students missing the quiz will be given a zero unless they have a medical or compassionate reason for missing the quiz. If they do the weight will be placed on their Group Project mark.

See the following University Polices

http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds.shtml

Please note that these policies are binding unless academic consideration is given to an individual student.

Course Policy on Group Work:

This course has a group project. Anywhere from 2 to 4 students may be in a group (I strongly recommend 3 to 4 members since from 5% - 10% of the students drop the course after the midterm). I will initially let the class form their own groups during the first week of the term – and then ask you to submit your group members at the beginning of the 2nd week. I will also open a discussion group to facilitate individuals seeking group members. If you have formed a group you must submit (in class or via email) a list of students (first and last names) in the group by the deadline above. If you are not in a group by the submission deadline for groups I will create groups from those not yet in a group and post all groups on the Friday at the end of the third full week of class. Once groups are formed they can only be changed with my permission and the permission of the affected groups.

It is expected that all group members will contribute to the project. Groups should meet together, in person if possible, at least once a week to discuss what members have accomplished and to make sure everyone knows what their contribution to the final project will be. All group members will receive the same mark with one exception. That exception is if the other group members contact me and assert that one or more group members have not substantially contributed to the project. I will want proof to back up this assertion. To that end all group members should maintain a paper trail (and email record) or work done and any correspondence between group members. If an assertion is made that a group member did not substantially contribute to the project I will want to see evidence of it. If there is no evidence to back up the claim all students will receive the same mark. Your best practice should be to email your other group members regularly with what you have accomplished on the project, and to attach any spreadsheet results or written text you might have completed. If a group feels that a member is not completing work or is not communicative (doesn't answer emails for example) please contact me so I can contact them to see what the reason might be.

Deadlines for partial and final submissions of the group project will be posted on the course website.

Course Policy regarding use of electronic devices and recording of lectures

Electronic recording of classes, and their use, is expressly forbidden without consent of the instructor. When recordings are permitted they are solely for the use of the authorized student and may not be reproduced, or transmitted to others, without the express written consent of the instructor.

Contacting your Instructor

My preference if you need to talk with me is that you do so before or after class or during scheduled office hours. If you cannot make my office hours I will try to find time during the week to see you. If I am in my office and you drop by with a question I will usually be able to answer short questions. I would ask that you communicate with me via email *only* concerning course administrative matters that have not already been answered during the lecture, or are answered on the course outline, or the course update section on Courselink (e.g. Use email to let me know you have missed an exam due to illness, you are having difficulties accessing information on the course homepage, or pointing out problems or errors on the course homepage – answer keys for example, or to communicate with me about group project issues). Answering substantive economic questions using email where mathematics or figures may be needed is extremely tedious so keep this is mind when emailing economic questions to me. I can be much more helpful if you see me in person. If a TA is assigned to the course I will post his or her contact information and office hours.

University Policies

Academic Consideration

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for

Academic Consideration: http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

https://www.uoguelph.ca/registrar/calendars/undergraduate/2015-2016/

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email csd@uoguelph.ca or see the website: http://www.csd.uoguelph.ca/csd/

Course Evaluation Information

Please refer to: https://www.uoguelph.ca/economics/course-evaluation

Drop date

The last date to drop one-semester courses, without academic penalty, is March 11th 2015. For regulations and procedures for Dropping Courses, see the Academic Calendar:

https://www.uoguelph.ca/registrar/calendars/undergraduate/2015-2016/

Course Learning Outcomes

The Department of Economics and Finance *Learning Objectives* (*knowledge* , skills, competencies) for this course include the following. (Learning Objectives denoted by an asterisk (*) refer to a course specific learning objective).

Knowledge and Understanding:

1) ***Microeconomic Modeling***: The Gravity, Ricardian, Specific Factor, Heckscher Ohlin, Standard, Intertemporal , and Imperfect Competition models of trade will all be discussed and evaluated using assignments and exams during the semester. Assessed using assignments (problems), midterm (TF, MC, and problems), project (report), and final exams (TF, MC, and problems).
2) ***Understanding of Specific Markets***: General equilibrium modeling is an important part of this course that augments their knowledge of partial equilibrium markets in most of their other coursework. Both algebraic (Ricardian model) and graphical (HO model in particular) treatments of the topic are given. Assessed using assignments (problems), midterm (TF, MC and problems), and final exam (TF, MC, and problems).
3) ***Statistical and Econometric Methodology***: Students will review, or be introduced, to basic data analysis including linear regression analysis and hypothesis testing. OLS regressions (MS Excel) will be used to analyze the relationship between approximately a half dozen trade and other economic variables collected by the students from the World Bank Data sets. Assessed on group project (report and MS Excel spreadsheet submission), presentation and quiz.
4) ***Historical and Global context***: The development of the present day international trade regime (the WTO in particular) will be presented and the various international trade treaties that Canada has signed (and is currently negotiating) will be discussed. Throughout the course international trade data will be presented and discussed. Students will, in the group project, collect international data on trade variables and other economic indicators. Assessed using the group project and final exam (TF, MC).
5) ***Economic Policy and Regulation***: The role of trade policy (tariffs, subsidies, industrial policy, voluntary export restraints, and foreign aid) will be analyzed using graphical and algebraic models. Assessed using assignments (problems), midterm (TF, MC, and problems, and final exam (TF, MC, and problems).
6) ***Professional and ethical awareness and conduct.*** There will be no extensions on assignments in order to develop **time management** skills. Students are expected to work together well as a group and keep a record of their contributions. Assessed using assignments and the group project.

Discipline/Professional and Transferable Skills:

7) ***Written Communication:*** Students will provide a brief write up of their group project which will require a description of their research question, a statement of what they expected to find and their **reasoning** for that expectation, and a critical discussion of the results. Assessed using the group project.
8) ***Numerical Problem Solving***: Students will learn to **evaluate** the solution (wages, utility, gains from trade, production, exports and imports) for the two country, two good, one factor Ricardian model, **solve** for the equilibrium in the imperfect competition model of trade, **determine** gains and losses for trade policy, and **calculate** the prices charged at home and abroad in a price discrimination model of trade. Assessed using assignments (problems), midterm (MC and problems) and final exam (MC and problems).

9) ***Analytical Problem Solving***: Much of the course uses graphical **analysis to demonstrate and interpret** various economic models. In particular the student will become familiar for the Heckscher Ohlin and Standard model of trade that allows them to evaluate trade policy, economic growth, and income transfers, using relative demand and relative supply curve analysis. Graphical and algebraic models will be used to determine both partial and general equilibrium analyses of trade policy. Assessed on assignments (problems), midterm (MC and problems), and final exam (MC and problems).
10) ***Problem solving in a Real World Context***: Assignments and the group project will ask students to apply the models discussed during the semester. In particular the group project will have students use scatter plots and the linear regression package in MS Excel to analyze an original research questions relating data on one or more trade variables to data for other economic variables. Assessed using all course assessment areas.
11) ***Group Work***: Two to four students will complete a group project during weeks 4 through 9 on a topic chosen as a result of consultations between the group members and the instructor. Assessed using the group project and presentation.
12) ***Computer Skills***: Students will collect data from the World Banks Data sets online, export them into a spreadsheet program (MS Excel), organize the data so that it is amenable to data analysis, use scatter plots to help determine which multivariate linear regressions to analysis, use the data analysis package in Excel to run multivariate linear regressions. Assessed in the group project and presentation/quiz.

Attitudes and Values:

*13) ***Exposure to the Diversity of Global Economic Outcomes***: An important part of the course is to expose students to wide range of global economic outcomes such as income and poverty, education, environmental degradation, institutional quality, and how they relate, if at all, to the international movement of goods and factors of production. Students are also exposed to government policies, such as tariffs and subsidies, that advantage or disadvantage section segments of the economy. Assessed using the group project and presentation/quiz.