

Syllabus ECON 4330 (Fall 2020)-International Trade  
Course duration: August 24, 2020 –December 12, 2020  
Meeting time: T&Th, 11:00-12:20. Room: HPR253  
Instructor: Luis Gautier. Office: CAS-137; email – [lgautier@uttyler.edu](mailto:lgautier@uttyler.edu)

### **Course Objective and Description**

A review of the rationale for trade between nations, the nature of trade barriers. International Trade provides an introduction to the theories underlying international trade with an emphasis on helping us explain why, what and with whom nations trade. We will analyze various trade policies that nations implement, with a particular emphasis on the redistributive effects of trade and trade barriers. The theoretical models will be used to analyze topics making headlines like development and the environment. This is an applied economic theory course. I shall use formal algebraic representations of models and graphs to present and develop the main concepts and ideas. In some cases some basic algebra will be used to derive policy implications from the theoretical models.

### **Required Textbook**

The main textbook for this class is Krugman and Obstfeld's *International Economics: Trade and Policy*, 8<sup>th</sup> edition.

### **Grading Components - weights**

1. Tests - 40%
2. Quizzes – 20%
3. Research paper and Oral Presentation – 40%

A: 100% - 90% ; B: 89 -80; C: 79 - 70; D: 69-60; F: 59 - 0

### **Expectations**

Students are expected to attend class. We will spend time in class solving many of the assigned problems so students are expected to participate in these sessions. Students should feel free to contact the instructor and use office hours as necessary. As for the mathematics, I will be presenting the material using formal/simple models and rudimentary math tools such as derivatives, graphs and solving system of linear equations. There is no “make-up” work in this class.

### **Homework**

A key learning component of this course is the assigned problem sets. Even though students are expected to work as independently as possible, they are encouraged to work in groups to the extent possible and share ideas via Canvas' discussion board.

## Research Paper

The main purpose of this project is to enable you to apply the concepts learned in class by analyzing a country's trade issue(s) which is of interest to you. This will allow you to explore topics in the international trade literature which we did not have time to talk about in class.

Each student is expected to give an oral presentation and submit a final paper. Specifically, you are expected to choose a country, analyze its trade profile and discuss the topic of your interest within the context of this country and region. Examples of topics include, but are not limited to, development, corruption, poverty and environmental degradation. Alternatively, you can focus on key sectors of the economy e.g., minerals in the case of Chile, car industry in Mexico or Germany, agriculture in Brazil. Make sure to clear the topic and country with me before you start working on your project. The same country/topic cannot be presented twice so country/topic selection is on a first-come-first-serve basis.

Presentation: The presentation will be based on your research report (final paper). In particular, you are expected to give a detailed oral presentation of your analysis. Time limit: TBD.

Research Paper: As part of the project you are expected to submit a final research paper. The research paper should include the following sections:

Section 0 –ABSTRACT: In 100-150 words present the purpose of the paper and summarize your main findings including your policy recommendations.

Section 1 – INTRODUCTION (2 pages): State the questions you explore in your paper. Motivate your research questions. Describe what the literature has said about your topic. Summarize your results.

Section 2-Background (2pages): describe the country's economy and trade profile over time; analyze the underlying factors which explain this experience.

Section 3 – TRADE ISSUE (5 pages): **This is the main section of your paper** where you should delve into the research questions and analysis along with key results and policy implications.

Section 5 – CONCLUSION (1 page): Propose future lines of research and ways to improve your paper.

Section 6 – REFERENCES: Provide a list of all references used in your analysis including data sources.

### Grading (paper and presentation):

- 1. The Research paper is worth 100 points.** Evaluation and grading of the report will be based on: (i) Your ability to conduct all relevant analysis. (weight: 50%), and (ii) Your ability to present your results in a clear, organized and concise fashion. (weight: 50%)
- 2. The Oral presentation is worth 100 points.** Evaluation and grading of the presentations will be based on: (i) Your ability to clearly present all relevant analysis necessary to develop policy recommendations. (weight: 50%) , and (ii) Your ability to present your results in a clear, organized and concise fashion using relevant presentation aids such as power point slides. (weight: 50%)

## **Plagiarism/Cheating**

This course will follow the policies and procedures stated in the University of Texas at Tyler Manual of Policies and Procedures for Student Affairs, chapter 8 available here:

<http://www.uttyler.edu/mopp/documents/8Student%20Conduct%20and%20Discipline.pdf>

## **COPYRIGHT**

All the course material available on Black Board is copyrighted.

## **Communication**

You can reach me via email at [lgautier@uttyler.edu](mailto:lgautier@uttyler.edu) **Please give me between 24 and 48 hours to respond to your email during the week, and during weekends it may take more than 48 hours to respond.**

## **Office Hours**

I'll make every effort to answer questions sent via email in an expeditious fashion. Please send me an email to set up a time/day to meet with me to talk about the class material over Zoom. Tentative times I'll be available in Zoom are as follows: T&Th, 2:30– 4:00, or by appointment. Please access all Zoom sessions via your UT-Tyler account.

## **Important Deadlines**

The University calendar is available here: <http://www.uttyler.edu/calendar/> . It is important that each student keeps track of drop dates and other important dates given in the University calendar. It is the student's responsibility to keep track of all important dates (including withdrawal dates). Students who do not withdraw by the required date (as stated by the University) will end up with a final grade based on their course work during the semester. Other important deadlines are provided in the course syllabus and course schedule.

## **Disability Services**

Students with a disability please contact UT Tyler Disability Support Services office so that the appropriate arrangements may be made. For more information please go to

<https://www.uttyler.edu/disabilityservices/>

It is the student's responsibility to let the instructor know (and provide all necessary paper work) about his/her disability in order to make the necessary arrangements.

## **Learning Objectives**

1. Identify and analyze the main causes of international trade and trade policies.
2. Compare and contrast the core theoretical models which explain international trade.
3. Analyze current trade issues facing developing and developed countries.
4. Analyze the role of international trade in the development (economic development) process.

## PROPOSED COURSE SCHEDULE

**Week 1:** 8/24 – 1/28 THROUGH **Week 3:** 9/7- 9/11

Topics: Introduction and motivation.

Reading (optional): News –“All the Threats and Tariffs in the U.S.-China Trade Conflict” (on Canvas)

Topics: Trade and the economy: The importance of trade in the global economy

Reading: Slides “Trade and the economy” (on Canvas).

Reading: Slides “EconProblem&PPF” (on Canvas).

Reading: Torelli, chapter 1 (link on Canvas).

Topics: Ricardian model.

Reading: K&O pp. 27-42. (on Canvas).

Suggested problems: K&O, problems 1-5, chapter 3. (on Canvas).

Resources: Video “The story of India – Episode 3”. (on Canvas)

Quiz 1 – time/date TBD

**Week 4:** 9/14 – 9/18 THROUGH **Week 6:** 9/28 – 10/2

Topics: Heckscher-Ohlin model.

Reading: K&O chapter 4.

Suggested problems: K&O, problems 1-5, chapter 4.

Reading: Slides “Heckscher-Ohlin model” (on Canvas)

Topics: The Prebisch-Singer hypothesis

Topics: Gravity model

Reading: K&O, chapter 2

Suggested problems: K&O, problems 1,2,4,5, chapter 2

Quiz 2 – time/date TBD

Test 1 – time/date TBD

Research– Assignment 1 due: Please refer to Canvas for instructions and due date/time.

Research– Assignment 2 due: Please refer to Canvas for instructions and due date/time.

**Week 7:** 10/5 - 10/9 THROUGH **Week 8:** 10/12 - 10/16

Topics: Trade Policy - Perfect competition: tariffs and subsidies.

Video (optional): "Around the world with J Stiglitz" (on Canvas).

Reading: K&O, chapter 8.

Reading: Slides "Tariffs" (on Canvas).

Suggested problems: K&O, problems 1-4, chapter 8.

Topics: Trade Policy - Monopolistic competition

Reading: K&O pp. 114-134, chapter 6.

Suggested problems: K&O, problem 4, 7, chapter 6.

Reading: K&O pp. 163 – 171 (chapter 7).

Suggested problems: K&O, problems 3,9, 10, chapter 7.

Reading (optional): Tolentino (2000) chapters 2&3. (on Canvas)

Topics: Trade Policy – Oligopolistic competition: The role of strategic trade policy

Quiz 3– time/date TBD.

**Week 9:** 10/19 - 10/23 THROUGH **Week 10:** 10/26 - 10/30

Topics: FDI and Local Content Requirements

Reading: Slides "FDI and Local Content" (on Canvas).

Reading: News "Mexico, US may be heading toward NAFTA deal" (on Canvas)

Topics: Environmental degradation and trade

**Week 11:** 11/2 - 11/6

Research paper one-on-one meetings.

Test 2 – time/date TBD

**Week 12:** 11/9 - 11/13 THROUGH **Week 13:** 11/16 - 11/20

Scheduled Presentations.

**Week 14:** 11/23 - 11/27 (Thanksgiving) THROUGH **Week 15:** 11/30 - 12/4

Final paper due 12/2, 11:59pm. Please upload your final paper on Canvas.

**The professor reserves the right to change the outline and any other aspect of this syllabus throughout the semester.**

## **UNIVERSITY POLICIES AND ADDITIONAL INFORMATION THAT MUST APPEAR IN EACH COURSE SYLLABUS**

### **UT Tyler Honor Code**

Every member of the UT Tyler community joins together to embrace: Honor and integrity that will not allow me to lie, cheat, or steal, nor to accept the actions of those who do.

### **Students Rights and Responsibilities**

To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link: <http://www.uttyler.edu/wellness/rightsresponsibilities.php>

### **Campus Carry**

We respect the right and privacy of students 21 and over who are duly licensed to carry concealed weapons in this class. License holders are expected to behave responsibly and keep a handgun secure and concealed. More information is available at <http://www.uttyler.edu/about/campus-carry/index.php>

### **UT Tyler a Tobacco-Free University**

All forms of tobacco will not be permitted on the UT Tyler main campus, branch campuses, and any property owned by UT Tyler. This applies to all members of the University community, including students, faculty, staff, University affiliates, contractors, and visitors. Forms of tobacco not permitted include cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff, chewing tobacco, and all other tobacco products. There are several cessation programs available to students looking to quit smoking, including counseling, quitlines, and group support. For more information on cessation programs please visit [www.uttyler.edu/tobacco-free](http://www.uttyler.edu/tobacco-free).

### **Grade Replacement/Forgiveness and Census Date Policies**

Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. Grade Replacement Contracts are available in the Enrollment Services Center or at <http://www.uttyler.edu/registrar>. Each semester's Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar. Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.

The Census Date is the deadline for many forms and enrollment actions of which students need to be aware. These include:

- Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit.
- Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date)
- Schedule adjustments (section changes, adding a new class, dropping without a "W" grade)
- Being reinstated or re-enrolled in classes after being dropped for non-payment
- Completing the process for tuition exemptions or waivers through Financial Aid

### **State-Mandated Course Drop Policy**

Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during their entire undergraduate career. This includes courses dropped at another 2-year or 4-year Texas public college or university. For purposes of this rule, a dropped course is any course that is dropped after the census date (See Academic Calendar for the specific date).

Exceptions to the 6-drop rule may be found in the catalog. Petitions for exemptions must be submitted to the Enrollment Services Center and must be accompanied by documentation of the extenuating circumstance. Please contact the Enrollment Services Center if you have any questions.

### **Disability/Accessibility Services**

In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University of Texas at Tyler offers accommodations to students with learning, physical and/or psychological disabilities. If you have a disability, including a non-visible diagnosis such as a learning disorder, chronic illness, TBI, PTSD, ADHD, or you have a history of modifications or accommodations in a previous educational environment, you are encouraged to visit <https://hood.accessiblelearning.com/UTTyler> and fill out the New Student application. The Student Accessibility and Resources (SAR) office will contact you when your application has been submitted and an appointment with Cynthia Lowery, Assistant Director of Student Services/ADA Coordinator. For more information, including filling out an application for services, please visit the SAR webpage at <http://www.uttyler.edu/disabilityservices>, the SAR office located in the University Center, # 3150 or call 903.566.7079.

### **Student Absence due to Religious Observance**

Students who anticipate being absent from class due to a religious observance are requested to inform the instructor of such absences by the second class meeting of the semester.

### **Student Absence for University-Sponsored Events and Activities**

If you intend to be absent for a university-sponsored event or activity, you (or the event sponsor) must notify the instructor at least two weeks prior to the date of the planned absence. At that time the instructor will set a date and time when make-up assignments will be completed.

### **Social Security and FERPA Statement**

It is the policy of The University of Texas at Tyler to protect the confidential nature of social security numbers. The University has changed its computer programming so that all students have an identification number. The electronic transmission of grades (e.g., via e-mail) risks violation of the Family Educational Rights and Privacy Act; grades will not be transmitted electronically.

### **Emergency Exits and Evacuation**

Everyone is required to exit the building when a fire alarm goes off. Follow your instructor's directions regarding the appropriate exit. If you require assistance during an evacuation, inform your instructor in the first week of class. Do not re-enter the building unless given permission by University Police, Fire department, or Fire Prevention Services.

### **Student Standards of Academic Conduct**

Disciplinary proceedings may be initiated against any student who engages in scholastic dishonesty, including, but not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.

i. "Cheating" includes, but is not limited to:

- copying from another student's test paper;
- using, during a test, materials not authorized by the person giving the test;
- failure to comply with instructions given by the person administering the test;
- possession during a test of materials which are not authorized by the person giving the test, such as class notes or specifically designed "crib notes". The presence of textbooks constitutes a violation if they have been specifically prohibited by the person administering the test;
- using, buying, stealing, transporting, or soliciting in whole or part the contents of an unadministered test, test key, homework solution, or computer program;
- collaborating with or seeking aid from another student during a test or other assignment without authority;
- discussing the contents of an examination with another student who will take the examination;

- divulging the contents of an examination, for the purpose of preserving questions for use by another, when the instructors has designated that the examination is not to be removed from the examination room or not to be returned or to be kept by the student;
- substituting for another person, or permitting another person to substitute for oneself to take a course, a test, or any course-related assignment;
- paying or offering money or other valuable thing to, or coercing another person to obtain an unadministered test, test key, homework solution, or computer program or information about an unadministered test, test key, home solution or computer program;
- falsifying research data, laboratory reports, and/or other academic work offered for credit;
- taking, keeping, misplacing, or damaging the property of The University of Texas at Tyler, or of another, if the student knows or reasonably should know that an unfair academic advantage would be gained by such conduct; and
- misrepresenting facts, including providing false grades or resumes, for the purpose of obtaining an academic or financial benefit or injuring another student academically or financially.

ii. "Plagiarism" includes, but is not limited to, the appropriation, buying, receiving as a gift, or obtaining by any means another's work and the submission of it as one's own academic work offered for credit.

iii. "Collusion" includes, but is not limited to, the unauthorized collaboration with another person in preparing academic assignments offered for credit or collaboration with another person to commit a violation of any section of the rules on scholastic dishonesty.

iv. All written work that is submitted will be subject to review by plagiarism software.

#### **UT Tyler Resources for Students**

- UT Tyler Writing Center (903.565.5995), [writingcenter@uttyler.edu](mailto:writingcenter@uttyler.edu)
- UT Tyler Tutoring Center (903.565.5964), [tutoring@uttyler.edu](mailto:tutoring@uttyler.edu)
- The Mathematics Learning Center, RBN 4021, this is the open access computer lab for math students, with tutors on duty to assist students who are enrolled in early-career courses.
- UT Tyler Counseling Center (903.566.7254)
- **Important Covid-19 Information for Classrooms and Laboratories**
- Students are required to wear face masks covering their nose and mouth, and follow social distancing guidelines, at all times in public settings (including classrooms and laboratories), as specified by [Procedures for Fall 2020 Return to Normal Operations](#). The UT Tyler community of Patriots views adoption of these practices consistent with its [Honor Code](#) and a sign of good citizenship and respectful care of fellow classmates, faculty, and staff.
- Students who are feeling ill or experiencing symptoms such as sneezing, coughing, or a higher than normal temperature will be excused from class and should stay at home and may join the class remotely. Students who have difficulty adhering to the Covid-19 safety policies for health reasons are also encouraged to join the class remotely. Students needing additional accommodations may contact the Office of Student Accessibility and Resources at University Center 3150, or call (903) 566-7079 or email [saroffice@uttyler.edu](mailto:saroffice@uttyler.edu).
- **Recording of Class Sessions**
- Class sessions may be recorded by the instructor for use by students enrolled in this course. Recordings that contain personally identifiable information or other information subject to FERPA shall not be shared with individuals not enrolled in this course unless appropriate consent is obtained from all relevant students. Class recordings are reserved only for the use of students enrolled in the course and only for educational purposes. Course recordings should not be shared outside of the course in any form without express permission.