

## General Information

**Instructor:** Kristian Estevez (Kj719@ufl.edu)

**Course Code:** ECO 3704

**Office:** MAT 328

**Office Hours:** Tuesdays and Thursdays 2:30 – 4:00 p.m. (in-person on Tuesdays and through Zoom both days (Zoom Personal Meeting ID: 381-154-4451))

**Academic Year:** Summer A 2022

## Course Objectives

This main objective of this course is to provide a thorough analysis of modern trade theory, trade policy, and its welfare implications. We will analyze trade models in depth in order to discuss the benefits and consequences of international trade and globalization. We will examine factor movements, imperfect markets, and the effect of trade on wages and income distribution. Time permitting, the course might slightly delve into international finance in order to discuss different exchange rate regimes, their effect on monetary/fiscal policy, and economic integration.

## Course Evaluation

Your grade in the course will be determined by performance on two midterms and a final exam as well as your participation during in-class assignments (the dates of the assignments will not be given ahead of time; if you have a valid excuse for missing class, notify me beforehand in order to receive credit for a missed assignment). The assignments will be done in small groups (or individually if you prefer) and you will receive credit for competition of the assignment.

The midterm exams are tentatively scheduled on May 19th and June 2nd during our regular class time in our regular classroom (they'll replace that day's lecture). The final exam can be taken early on June 15th (this exam will be non-cumulative) or on June 16th (this exam will be cumulative) and depending on which final exam you choose (you can only take one final exam), the calculations for your final course grade will be determined by the following:

**Early Final Exam**

Assignments	10%
Midterm 1	30%
Midterm 2	30%
Final Exam	30%

**Late Final Exam**

Assignments	10%
Midterm 1	20%
Midterm 2	20%
Final Exam	50%

The final letter grade will be determined using the following scale where the course score will be rounded to the nearest whole number:

A	93-100	C	73-76
A-	90-92	C-	70-72
B+	87-89	D+	67-69
B	83-86	D	60-66
B-	80-82	E	0-59
C+	77-79		

There will be some extra credit opportunities throughout the course but no other opportunities will be available past the final exam.

## **Textbooks**

Krugman, P., Obstfeld, M., and Melitz, M. *International Economics: Theory and Policy*. Addison Wesley, 2014.

## Attendance Policy and Behavior

While I will not be taking attendance, it is necessary (but not sufficient) to attend the lectures, participate, and take good notes if you wish to earn a high grade. If you have to miss a lecture and have a valid excuse, please notify before the class begins in order to receive credit for a missed assignment and visit me during office hours to review missed material.

In response to COVID-19, the following recommendations are in place to maintain your learning environment, to enhance the safety of our in-classroom interactions, and to further the health and safety of ourselves, our neighbors, and our loved ones:

- If you are not vaccinated, get vaccinated. Vaccines are readily available and have been demonstrated to be safe and effective against the COVID-19 virus. Visit [one.ufl.edu](http://one.ufl.edu) for screening / testing and vaccination opportunities.
- If you are sick, stay home. Please call your primary care provider if you are ill and need immediate care or the UF Student Health Care Center at 352-392-1161 to be evaluated.
- Course materials will be provided to you with an excused absence, and you will be given a reasonable amount of time to make up work.

## Academic Honesty

You are expected to abide by the University's rules for academic honesty and UF's Honor Pledge. These are available for your review at <http://www.dso.ufl.edu/judicial/academic.php>. Cheating, plagiarism, making false statements, and any other action that violates these rules will be prosecuted to the fullest extent.

## Disability Accommodations

Students requesting classroom accommodation for disabilities must first register with the Disability Resource Center. The DRC will provide documentation to the student, who must then provide this documentation to me. The DRC phone number is 392-8565. If you are taking exams with the DRC, I highly recommend that you reserve the room for all of your exams early on in the semester to avoid complications.

## Course Topics (Preliminary Outline)

### **1 Classical Models of Trade**

- Introduction to International Trade
- The Ricardian Model: Comparative Advantage
- The Heckscher-Ohlin Model: Factor Endowments
- Factor Mobility

### **2 New Trade Theory**

- Imperfect Competition and Economies of Scale
- Firm Heterogeneity

### **3 Trade Policy**

- Instruments of Trade Policy
- Political Economy of Trade
- Trade Policy in Developing Countries

### **4 International Macroeconomics and Economic Integration**

- National Income Accounting and Balance of Payments
- Types of Exchange Rate Regimes
- Degrees of Economic Integration

\* Additional material, provided by the instructor, may be included throughout the course as needed online