

**UNIVERSITY OF FLORIDA
DEPARTMENT OF ECONOMICS
ECONOMICS 3704
*International Trade***

Fall 2021

Instructor: Elias Dinopoulos
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Office Hours: Tuesday 1:40 p.m. – 3:00 p.m., also by (zoom) appointment.
Zoom Address: <https://ufl.zoom.us/j/6170314670>

SYLLABUS

Course Description: This course provides a general overview of theory, policy and institutions of international trade. We will analyze the causes of international trade and globalization; gains and losses from trade; the effects of trade on income distribution; foreign outsourcing; the economics of tariffs, quotas, and export subsidies; trade policies for advanced and developing countries; the economics of NAFTA and the WTO.

Online Platform: There are three online delivery tools: Canvas class website; appointments through Zoom video conferencing, and email communications.

Canvas Website contains the written information about the class including the syllabus, class announcements, PowerPoint lecture notes, practice exam quizzes, and graded exams.

Zoom Video Conferencing will be used for appointments outside regular weekly in-person office hours. Please send me an email to arrange the Zoom appointment time and date

Prerequisites: The emphasis of the course will be on the conceptual framework of international economic transactions and relations. A fair amount of time will be spent on developing the necessary analytical tools to address current international-trade issues. There will be extensive use of graphical analysis and algebra; occasionally, maximization techniques based on simple derivatives will be utilized. You must have taken introductory microeconomics and introductory macroeconomics (ECO 2013 and ECO 2023) to take the course.

Textbook: Feenstra Robert, C. and Alan M. Taylor, *International Trade*, Fourth Edition 2017, Worth Publishers. Designated as *Feenstra and Taylor* below and required.

Lecture Notes: PowerPoint lecture notes are available in Canvas (files section, “Lectures” file).

COURSE OUTLINE

1. **Module I: Why Nations Trade.**

Feenstra and Taylor, Chapter 1, “Trade in the Global Economy”.

Feenstra and Taylor, Chapter 2, “Trade and Technology: The Ricardian Model”.

Feenstra and Taylor, Chapter 3, “Gains and Losses from Trade in the Specific-Factors Model”.

2. **Module II: International Factor Movements and Intra-Industry Trade**

Feenstra and Taylor, Chapter 5, “Movement of Labor and Capital between Countries”, pages 125-136; and pages 144-164.

Feenstra and Taylor, Chapter 6, “Increasing Returns to Scale and Imperfect Competition”.

3. **Module III: Commercial Policy**

Feenstra and Taylor, Chapter 8, “Import Tariffs and Quotas under Perfect Competition”

Feenstra and Taylor, Chapter 9, “Import Tariffs and Quotas under Imperfect Competition”.

Feenstra and Taylor, Chapter 10, “Export Subsidies in Agriculture and High-Technology Industries”.

4. **Module IV: Controversies** (This material is optional and will be covered in class if we have enough time.)

Amiti, Mary, Stephen Redding, and David Weinstein (2019), “The Impact of 2018 Tariffs on Prices and Welfare” *Journal of Economic Perspectives* 33, 4, Fall 2019, pp. 187-210. (Available in Canvas in the “Optional Readings” folder located in the left-hand link “Files”.

Dinopoulos, Elias, “The 2018 Global Tariff War” PP slide presentation available in the “Optional Lecture Notes” folder located in the left-hand link “Files” of Canvas.

Dinopoulos, Elias, “Immigration Flows in the United States and Europe” PP slide presentation available in the “Optional Lecture Notes” folder located in the left-hand link “Files” of Canvas.

Feenstra and Taylor, Chapter 11, “International Agreements: Trade, Labor and the Environment”

Grades: There will be three exams with each exam counting one third towards the final course grade and covering the material in each module. Because Canvas is notorious in calculating and reporting letter grades, the following process will be used to calculate grades for this class. *Please ignore any scores reported in Canvas as percentages.* Your grade will be calculated as follows. **The Final Class Score** equals the average exam score and will be posted in Canvas. The following Grade Distribution Table translates the Final Class Score into the class letter grade. For example, a student who receives 80 in exam 1, 88 in exam 2 and 92 in exam 3 will obtain a final class score of $[(80+88+92)/3] = 86.66$ This score corresponds to a class letter grade of A-.

Grade Distribution Table

Final Class Score	Class Letter Grade
90.00 – 100.00	A
85.00 - 89.99	A-
80.00 - 84.99	B+
75.00 - 79.99	B
70.00 - 74.99	B-
65.00 - 69.99	C+
60.00 - 64.99	C
55.00 - 59.99	C-
50.00 - 54.99	D+
45.00 - 49.99	D
40.00 - 44.99	D-
0.00 - 39.99	E

Exams: Each exam consists of 25 multiple-choice questions (MCQs) with each correct answer counting 4 points resulting in a maximum number of 100 points. Each exam will be taken through Canvas and in class. It is a closed-notes, no smart phone, and closed-book exam. You will have 90 minutes to complete each exam. Exam 1 will cover Feenstra and Taylor Chapter 1, Chapter 2, and Chapter 3; Exam 2 will cover Feenstra and Taylor Chapter 5, and Chapter 6; Exam 3 will cover Feenstra and Taylor Chapter 8, Chapter 9, and Chapter 10

Practice Quizzes: Canvas offers practice quizzes consisting of 20-25 multiple choice questions per chapter tested. You can access these quizzes by clicking on the left-hand side “quizzes” link on Canvas. Additional practice questions will be offered as class assignments during class based on the day’s lecture material.

Exam Dates: As stated, each 90-minute exam will be taken through Canvas. All exams will be taken **in class** on the following dates:

EXAM 1: Wednesday, October 6.

EXAM 2: Wednesday, November 3.

EXAM 3: Wednesday, December 8.

Active Learning and Student Feedback: Students are strongly encouraged to engage in active (as opposed to passive) learning in this class. By attending each live class meeting, students can participate in class discussions, ask questions on the material presented, and share their opinions with other students.

Class discussion of current events (such as Brexit, the UK-Japan trade agreement, the US-China global trade war, European immigration crisis) allows students to apply class-developed insights to real world issues and thus enhances student learning experience. Information on current events, consisting of newspaper articles, or PowerPoint-slide presentations, will be posted in Canvas (files>optional readings). Needless to say, students are strongly encouraged to take each chapter-specific practice quiz to check progress in regards to class objectives and to practice for each exam. Additional student feedback will be provided as follows: Class assignments based on lecture material allow students to understand the material better; and students can discuss their exam answers by setting a one-to-one Zoom live appointment.