

# ECO 3704: International Trade

## Syllabus

**Instructor:** Gunnar Heins

**Email:** gheins@ufl.edu

**Office Hours:** Tuesdays, 9:30-12 via Zoom

**Class Meeting Times:** Mondays & Wednesdays, 7th/8th period (1:55 - 3:50)

**Room:** HyFlex (MAT 6 and online)

**TA:** Sankalp Mathur (sankalpmathur@ufl.edu)

**TA Office Hours:** Mondays, 9:30-11:30 via Zoom

## Course Description

This course is an introduction to international trade on the undergraduate level. We will talk about why countries trade goods and services with each other, why some firms produce in foreign countries and some don't, how globalization affects prices and wages, and how trade policy can affect who gains and who loses from trade. The first part will cover key facts in the data, e.g. the main trade partners of the U.S. or how trade with China and Mexico has evolved over time. Given these facts you will become familiar with the most successful theories on why countries trade with each other, source out part of their production, or why people and capital move between countries. Finally, we will discuss common policy instruments that countries use to affect global trade, such as tariffs and import restrictions, and study how they affect prices, welfare, and inequality.

## HyFlex Nature of the Course

This course is taught in a so-called HyFlex format, i.e. it is taught face-to-face as well as streamed live to an online audience. Every lecture will also be recorded and posted afterwards. Due to UF's Covid-19 policy, the available classroom size is restricted and only students enrolled in Section 04C0 are currently allowed to attend in person. However, each student will be able to ask questions and participate, either in the classroom or through the online session.

You can access lectures via Canvas (<https://elearning.ufl.edu/>) under the tab *Zoom Conferences*. All other relevant material will also be posted on Canvas.

## Prerequisites

In order to take this course you need to have completed both *Principles* courses (ECO 2013 and ECO 2023) or equivalent. Having completed *Intermediate Microeconomics* (ECO 3101) is not required but would certainly be helpful as some concepts built on the material of that course. Please contact me if you are interested in taking this course but are unsure if you have the appropriate background.

## Course Material and Textbook

The course largely follows the book

*Feenstra, Robert, and Alan Taylor: "International Trade"; Worth Publishers, 4th edition, ISBN-13: 978-1319061739, ISBN-10: 1319061737.*

The previous edition is fine as well, since there haven't been too many changes compared to the 4th edition:

*Feenstra, Robert, and Alan Taylor: "International Trade"; Worth Publishers, 3rd edition, ISBN-13: 978-1429278447, ISBN-10: 1429278447.*

All additional course material (for example homeworks, solutions, and grades) will be posted on Canvas ([elearning.ufl.edu](https://elearning.ufl.edu/)).

## Exams, Homework, and Grading

The final grade will consist of three parts: Exams, homeworks and participation. There will be 3 exams in total, 2 midterms and a final exam, which together account for 85 % of your final grade (25 % each midterm and 35 % the final). The Final is on April 29. All exams will be taken remotely and are proctored via Honorlock. If you cannot attend one of the exams, or if you need special accommodation, please let me know as early as possible.

There will also be 8 homeworks during the semester which account for 15 % of your final grade. Only the best 7 out of 8 homeworks count towards your final grade. Feel free to work in groups, but each one of you has to submit an individual solution. Homework solutions will be posted on Canvas after they are due.

Problem Sets	15 %
Midterm 1	25 %
Midterm 2	25 %
Final	35 %
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Total	100 %

In addition, you can increase your average score through participation by 0.5 (sporadic participation), 1 (occasional participation), 1.5 (frequent participation), and 2 (exceptional participation) percentage points. These are bonus points and participation will never lower your final score.

If you have questions about the material or homeworks, feel free to attend office hours or send an email to me or the TA. Regarding homeworks, please contact primarily the TA, as he will also be the one grading those. If you need to talk to me outside of office hours, please let me know by email first.

Grading will be according to the following scheme:

Percent	Grade
94.00% - 100%	A
90.00% - 93.99%	A-
87.00% - 89.99%	B+
81.00% - 86.99%	B
79.00% - 80.99%	B-
77.00% - 78.99%	C+
71.00% - 76.99%	C
69.00% - 70.99%	C-
67.00% - 68.99%	D+
61.00% - 66.99%	D
59.00% - 60.99%	D-
0% - 58.99%	E

## Safety Precautions

**Please be aware of UF's Covid-19 policy:** “We will have face-to-face instructional sessions to accomplish the student learning objectives of this course. In response to COVID-19, the following policies and requirements are in place to maintain your learning environment and to enhance the safety of our in-classroom interactions:

1. You are required to wear approved face coverings at all times during class and within

buildings. Following and enforcing these policies and requirements are all of our responsibility. Failure to do so will lead to a report to the Office of Student Conduct and Conflict Resolution.

2. This course has been assigned a physical classroom with enough capacity to maintain physical distancing (6 feet between individuals) requirements. Please utilize designated seats and maintain appropriate spacing between students. Please do not move desks or stations.
3. Sanitizing supplies are available in the classroom if you wish to wipe down your desks prior to sitting down and at the end of the class.
4. Follow your instructor's guidance on how to enter and exit the classroom. Practice physical distancing to the extent possible when entering and exiting the classroom.
5. If you are experiencing COVID-19 symptoms (Click here for guidance from the CDC on symptoms of coronavirus (Links to an external site.)), please use the UF Health screening system and follow the instructions on whether you are able to attend class. Click here for UF Health guidance on what to do if you have been exposed to or are experiencing Covid-19 symptoms (Links to an external site.)
6. 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. Find more information in the university attendance policies (Links to an external site.)”

## Recording

**Please be aware of UF's Recording policy:** “Our class sessions may be audio-visually recorded for students in the class to refer back and for enrolled students who are unable to attend live. Students who participate with their camera engaged or utilize a profile image are agreeing to have their video or image recorded. If you are unwilling to consent to have your profile or video image recorded, be sure to keep your camera off and do not use a profile image. Likewise, students who un-mute during class and participate verbally are agreeing to have their voices recorded.

If you are not willing to consent to have your voice recorded during class, you will need to keep your mute button activated and communicate exclusively using the ”chat” feature, which allows students to type questions and comments live. The chat will not be recorded or shared. As in all courses, unauthorized recording and unauthorized sharing of recorded materials is prohibited.”

## Tentative Course Schedule

#	Date	Topic
1	M, Jan 11	Course Introduction, 1.Trade in the Global Economy
2	W, Jan 13	2. Trade and Technology: The Ricardian Model
3	W, Jan 20	2. Trade and Technology: The Ricardian Model
4	M, Jan 25	2. Trade and Technology: The Ricardian Model (HW 1 due)
5	W, Jan 27	3. Gains and Losses from Trade
6	M, Feb 1	3. Gains and Losses from Trade
7	W, Feb 3	4. Trade and Resources: The Heckscher-Ohlin Model (HW 2 due)
8	M, Feb 8	4. Trade and Resources: The Heckscher-Ohlin Model
9	W, Feb 10	4. Trade and Resources: The Heckscher-Ohlin Model
10	M, Feb 15	Review (HW 3 due)
11	W, Feb 17	<b>Midterm 1</b>
12	M, Feb 22	5. Movement of Capital and Labor
13	W, Feb 24	5. Movement of Capital and Labor
14	M, Mar 1	6. Monopolistic Competition
15	W, Mar 3	6. Monopolistic Competition (HW4 due)
16	M, Mar 8	7. Offshoring
17	W, Mar 10	7. Offshoring (HW5 due)
18	M, Mar 15	8. Tariffs/Quotas under perfect Competition
19	W, Mar 17	8. Tariffs/Quotas under perfect Competition
20	M, Mar 22	Review (HW6 due)
-	Mar 24	No class (Recharge Day)
21	M, Mar 29	<b>Midterm 2</b>
22	W, Mar 31	9. Tariffs/Quotas under imperfect Competition
23	M, Apr 5	10. Export Policies in Resource and High-Technology Industries
24	W, Apr 7	10. Export Policies in Resource and High-Technology Industries
25	M, Apr 12	11. International Agreements (HW7 due)
26	W, Apr 14	12. Exchange Rates
27	M, Apr 19	12. Exchange Rates
28	W, Apr 21	Review (HW8 due)
	April 29	<b>Final Exam (10am - 12pm)</b>