

General Information

Instructor: Kristian Estevez (Kj719@ufl.edu)

Course Code: ECO 3704 (Section 20491)

Office: MAT 328

Office Hours: Monday and Wednesdays 10:00 a.m. – 11:30 a.m. (in-person and on Zoom (Zoom Personal Meeting ID: 381-154-4451))

Academic Year: Spring 2025

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 its completion.

The midterm exams are tentatively scheduled for February 19th and March 26th during our regular class time in our regular classroom (they'll replace that day's lecture). The final exam can be taken early on April 23rd and this exam will be non-cumulative or it can be taken during the scheduled final exam date during final exam week (this exam will be cumulative). Depending on which final exam you choose (you can only take one final exam), the calculations for your final course grade will be determined as follows:

<u>Early Final Exam</u>		<u>Late Final Exam</u>	
Assignments	10%	Assignments	10%
Midterm 1	30%	Midterm 1	20%
Midterm 2	30%	Midterm 2	20%
Final Exam	30%	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 there is no attendance policy, it is necessary (but not sufficient) to attend lectures and take good notes if you wish to earn a high grade. If you miss a lecture, notify me before class that you will be absent, get the lecture notes from me or from one of your classmates, and visit me during my office hours if you want me to go over what you missed.

Also note that if you miss an assignment due to an unexcused absence, you will not receive credit for completing it. For an absence to be excused, you must notify me of the absence with a valid reason ahead of time before the missed class.

UF Recording Lecture Policy

Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled. The only allowable purposes are (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor.

A "class lecture" is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or lecturer during a class session.

Publication without permission of the instructor is prohibited. To "publish" means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student Honor Code and Student Conduct Code.

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.

The Department of Economics faculty assume that all work that is submitted for grading is written by the student whose name it bears, and that it represents their ideas and work. Accordingly, students are not permitted to use generative AI when completing assignments, quizzes, exams, or other graded work unless their instructor has expressly granted that permission. Unauthorized use of generative AI may constitute cheating and/or plagiarism. Such violations of the UF Student Honor

Code will be reported to the UF Dean of Students Office and will be subject to severe sanctions.

Generative AI includes but is not limited to ChatGPT, DALL-E, and Google Bard.

It should be noted that creating a false excuse to take a make-up exam constitutes a violation and adding someone's name to an assignment that was not present counts as cheating under the university's guidelines.

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.

COVID

In response to COVID-19, the following practices 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 at no cost and have been demonstrated to be safe and effective against the COVID-19 virus. Visit this link for details on where to get your shot, including options that do not require an appointment: <https://coronavirus.ufhealth.org/vaccinations/vaccine-availability/>. Students who receive the first dose of the vaccine somewhere off-campus and/or outside of Gainesville can still receive their second dose on campus.

- * You are expected to wear approved face coverings at all times during class and within buildings even if you are vaccinated. Please continue to follow healthy habits, including best practices like frequent hand washing. Following these practices is our responsibility as Gators.

- * 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.

- * Hand sanitizing stations will be located in every classroom.

- * If you sick, stay home and self-quarantine. Please visit the UF Health Screen, Test & Protect website about next steps, retake the questionnaire and schedule

your test for no sooner than 24 hours after your symptoms began. 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<tel:352-392-1161> (or email covid@shcc.ufl.edu) to be evaluated for testing and to receive further instructions about returning to campus. UF Health Screen, Test & Protect offers guidance when you are sick, have been exposed to someone who has tested positive or have tested positive yourself. Visit the UF Health Screen, Test & Protect website for more information.

* 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.

* If you are withheld from campus by the Department of Health through Screen, Test & Protect you are not permitted to use any on campus facilities. Students attempting to attend campus activities when withheld from campus will be referred to the Dean of Students Office.

* Continue to regularly visit coronavirus.UFHealth.org and coronavirus.ufl.edu for up-to-date information about COVID-19 and vaccination.

Course Topics (Preliminary Outline)

Module 1

Week 1 – Introduction and Gravity Model

Week 2 – Ricardian Model

Week 3 – Extension of Ricardian Model and Empirics

Week 4 – Heckscher-Ohlin Model

Week 5 – H-O Model Empirics and Factor Mobility

Week 6 – Midterm Review and **Midterm 1**

Module 2

Week 7 – Imperfect Competition and Economies of Scale

Week 8 – Krugman Models

Week 9 – Firm Heterogeneity and Melitz Model

Week 10 – **SPRING BREAK**

Week 11 – Midterm Review and **Midterm 2**

Module 3

Week 12 – Instruments of Trade Policy

Week 13 – Political Economy of Trade Policy

Week 14 – Trade Policy in Developing Countries

Week 15 – Final Exam Review and **Early Final Exam**

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