

ECO364H1S – International Trade Theory
(This version: December 17th, 2014)
Section L0101 (Monday 2pm-5pm, MP103)
Section L5101 (Monday 6pm-9pm, SS2102)

Instructor: Andrey Stoyanov
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Teaching Assistants:

L0101:

- William Gaelan MacKenzie
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Professor Stoyanov's office hours: GE 336 *Monday 10am-12pm*
TA office hours:

William Gaelan MacKenzie:	Tuesday, 2-3pm, GE213.
Aoli Zheng:	Wednesday, 2-3pm, SS2114
Mengxiao Liu:	Tuesday, 10am-12pm, GE313.

Objectives: The objective of this course is to provide students with a working knowledge of the principles of international economics. The course will start with the analysis of theoretical models of international trade to study the causes of trade between two countries, direction of trade flows, and gains that trade brings to trading countries. The second part of the course deals with international trade policies such as tariffs, quotas, trade subsidies, and trade agreements.

Exclusion: ECO230Y1/328Y

Prerequisites: ECO200Y1/ECO204Y1/ECO206Y1, ECO220Y1/ECO227Y1/(STA247H1, STA248H1)/
(STA250H1, STA255H1)/(STA257H1, STA261H1)

I expect that you will be able to perform basic calculus, including simple partial and total derivatives.

Textbook: *International trade*, by R. Feenstra and A. Taylor, 3rd addition, 2014, Worth publishers.

I do not require you to buy the newest edition of the textbook, allowing you to look for used copies online (e.g. amazon.com) at discounts.

Course outline: The course will cover Chapters 1-10 of Feenstra-Taylor textbook.

Although the lectures will generally follow the textbook, they will depart frequently. The additional material will be included in slides. The most priority should be on lecture slides and then the text.

Materials mentioned in the text but not in the slides deserve less priority. Topics will sometimes be covered briefly in class with the expectation that you study them more closely in the text. I will explicitly say when this is the case. Supplementary readings will be posted on the Blackboard site. The supplementary readings will serve more than a single purpose. They will find real world examples of some of the concepts we discuss in class. They will also include written work by leading economists on topics that offers new evidence and interpretation of the models and debates presented in class.

Evaluation: Problem Sets - 15%; Midterm - 30%; End of Term Exam - 55%

Problem Sets

- a. There will be one problem set for every textbook chapter covered in class (except for the first introductory one). Each will be graded “check +”, “check”, “check minus”, or zero. A “check plus” (100%) will result from a complete answering of all questions. A “check” (66%) will reflect work that had substantive gaps or unanswered questions. A “check minus” (33%) will result from a large number of incorrect or incomplete answers. If the problem set is not turned in, the student will get a zero.
- b. All problem sets must be turned in by 4pm on the due date for L0101 and 8pm for L5101. No late problem sets will be accepted. In addition, no excuses will be considered and no make up work will be offered. You must turn in problem sets in the lecture for which you are registered unless you turn them in earlier.
- c. Although you should not rely on others to do your work, feel free to work in groups. However, each student is required to turn in an individual completed problem set. Do not cut and paste solutions in from other sources aside your own work. Solutions will be posted after the problem sets are turned in.
- d. One assignment with the lowest grade will not be counted towards your course grade.

Tutorials

For L0101 tutorials will occur during the last hour of the class (4-5pm). For L5101 tutorials will be on Fridays from 2 to 3pm in SS1085. The first tutorial will be held after submission of the first assignment.

Midterm test day: February 23, in class

Test score appeals: appeals will be conducted according to the following procedure:

- a) Please type a short paragraph explaining the grievance and why you should obtain additional points. Give a hard copy of this document to me or to your TA. You must turn in this appeal by the end of class the week following the week in which exams are first handed back. This holds regardless of whether you are in class when exams are returned. Picking up your exam is your responsibility.
- b) Conditional on this argument being found persuasive by me, the *entire* exam will be re-graded. Your score can go up or down. This does not apply to trivial appeals such as points being added incorrectly.

Email Policy:

- a) I only respond to e-mails posing questions that can be answered in a few sentences. For detailed questions, please come to office hours.
- b) I do not reply to e-mails that request information that can be found on the website or the syllabus, so you should check those places first.
- c) I do not reply to e-mails regarding the results of graded material – for that, please come to office hours.

Absence from exams.

- If you miss the midterm due to illness or other *excused* absence, a medical note or other relevant documentation must be presented within one week of the date of the test. A make-up exam will be given in the final week of classes if the note is accepted. There will be no second make-up midterm test. Due to difficulties in arranging times that work for everyone after classes have ended, I reserve the right to invigilate the make-up exam outside of class hours. Failure to produce a medical note in time will result in a mark of 0 on the midterm. Other excuses (e.g. funerals and car accidents) must be accompanied by a note from a responsible adult that I can verify *in order for excusal to even be considered*. The validity of these excuses will then be evaluated by the undergraduate chair or myself. Only original (i.e. not scanned, copied, or emailed) will be considered. The doctor's OHIP registration number **must** be provided.
- I will NOT accept retroactive notes (i.e., student claims to have been sick on the day of the test, but met doctor at a later date). I also reserve the right not to accept that the student would have performed "sub-optimally." **In addition, students must email me the day of the test if they anticipate applying for an excused absence.**
- The only acceptable medical notes are those provided by the University of Toronto Student Medical Certificate (see the Registration Handbook & Timetable for a copy of the certificate).
- The office of academic misconduct imposes a punishment of **suspension for 4 months for passing on fake sick notes.**
- The Faculty of Arts and Science select the dates for examinations within the final exam period. You must not make travel, employment or other plans that may conflict with the date chosen for the examination in this course and any such conflict will not be accepted as grounds for writing a deferred exam. Instructors cannot make special arrangements with students who miss the final exam for any reason.

Academic misconduct

Students should note that I do not tolerate any form of academic misconduct. Any student caught engaging in such activities will be subject to academic discipline ranging from a mark of zero to dismissal from the university as outlined in the academic handbook. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties.