



International Trade  
Prof. Laura Brown

Course Outline

## [ECON 3670 - International Trade](#)

(Formerly 018.367) A study of the theory of international trade and modern trade issues including the effect of economic integration on growth, distribution, national policy and the environment. Prerequisite: a grade of "C" or better in one of: ECON 2010 or ECON 2451 or the former ECON 2450 (018.245) or the former ECON 2700 (018.270). ECON 3010 or ECON 2461 or the former ECON 2460 (018.246) is recommended.

3.0 Credit hours

CRN: 12949

---

Your professor: Prof. Laura Brown

Email: Laura.Brown@umanitoba.ca

Office: 549 Fletcher Argue Building

Office hours: In effect from Sept. 8 to Dec. 9, excluding Nov. 13 – 16.

Tuesday and Thursday 2:30 – 3:20 pm

Friday 1:30 – 2:20 pm.

### **Notes on communication with Prof. Brown outside class:**

a) Students who are struggling with material should come to my office for help. You are strongly encouraged to **come for help as early as possible** in the term. Feel free to come as often and for as long as you need.

b) I will try to answer email or phone messages within 48 hours on weekdays. I sometimes answer emails within minutes at odd hours.

c) After class is a good time to deal with short questions from the class. Major issues should be dealt with during office hours. **DO NOT let major problems drag on**. Come see me, and/or email me for help.

d) I am also available outside office hours, by appointment. Drop-ins are welcome, but may be turned away when I am working on something else.

**Required Material: TWO (2) items are required!**

1. International Trade Theory and Policy. by Krugman & Obstfeld, 11<sup>th</sup> Edition, 2018.
2. **with MyEconLab.**

Pearson is experimenting with textbook 'rentals'. So, this year, you cannot purchase the physical textbook.

The bookstore sells Access to the textbook. Its price is stable, and usually better than buying from Pearson directly.

I just checked the Pearson site, and they were selling access for \$122 U.S., which is about \$160 CDN if you have a U.S. bank account or \$175 to \$180, once you add bank fees. Check the bookstore price!

**Other readings as assigned** – I may assign occasional readings that deal with important topics that relate to class material. These will be posted on UMLEARN and/or emailed to students.

**Computer Requirements: UMLEARN and MyEconLab.**

All students must have a University of Manitoba email address. All students should check their U of M email address regularly, and preferably daily.

Notes will be posted on UMLEARN.

**You will be required to complete work on MyEconLab as part of the coursework.** Assignment due dates will be posted to MyEconLab or announced in class.

**Classroom expectations:**

My job is to come to class prepared and to explain concepts to the best of my ability. I will try not to bore you to tears. I will prepare questions for you in class as part of my work in helping you learn.

Students are expected to attend lectures, listen attentively, participate in classroom and group activities, and take notes. Students are expected to complete assigned readings from the textbook either before or immediately following the lecture. In this way, any questions can be addressed in a timely manner, and students can keep up with the course. Come to see me if you need help.

Students should arrive on time. Cell phones should be off during class. If a cell phone is used, the professor can confiscate it until the end of the class.

**Please bring a calculator to all classes and exams.**

**Technology use during class:**

Any student who uses a personal communication device in class will either lose 5% of the mark per occurrence or complete an extra assignment per occurrence. No

text messaging. No internet, facebook, twitter, snapchat, ...etc.. scanning. Neither you nor I can play Pokemon Go during class. This should not even need to be stated.

I am experimenting with computer use, as some student may use computers for course. If you want to use a computer in the classroom, ask me. I will have an agreement that you must sign. I will reserve seats in the first two rows for students who use computers for class work. I will also randomly ask you to turn your screen without touching the keyboard, or to take a screen shot of the notes you are writing and email it to me.

### **Recording of lectures:**

If a student wants to record my lectures, you need to ask my permission. However, you may not post the lectures to a public board, as the material I use is protected by the textbook publisher's copyright.

### **Respectful learning environment:**

Students learn best by working together. So, please feel free to come a bit early and greet your fellow students before class starts.

Naturally, all communication with other students, professors, food service providers, maintenance, and support staff should be respectful. This includes communications across age groups, gender, and race.

That said, there are contacts listed at the end of this outline for people who have witnessed disrespectful, or even violent or threatening behaviour of any kind. The sexual assault link has a great video from University of Victoria on consent. (No means no, silence means no, I am too drunk to say yes means NO.)

The equity services people have dealt with problems originating from male to female, female to male, any sex to any sex, including sex not stated. We all need to treat others with respect and accept No as an answer. No one should be ashamed to report if they are on the wrong side of any kind of abuse.

Students should report any misbehaviour on the part of students, staff, or faculty. Maintaining a respectful environment means not laughing at hateful remarks presented as a joke, telling people directly that something is out of line, and reporting when a behaviour is egregious enough to warrant discipline.

That said, I expect us all to behave respectfully with one another and have a great year!

Welcome:

**Welcome to the study of international trade theory!** The purpose of this course is to acquaint you with theories and questions in international trade. In this course you will learn several models of trade, the principle of comparative advantage, and the advantages and disadvantages of trading to different groups within a country. We will also introduce questions affecting the well-being and the sovereignty of nations: economic integration and

international environmental issues. **To even begin to understand trade issues, however, requires a good understanding of economic theory.**

By the end of the course, you should be able to:

1. Understand some of the basic concepts and theories of International Trade:
  - define concept / state theoretical results
  - list assumptions needed for theory to hold
  - analyze changes in trading behaviour and policies graphically using microeconomic graphing tools.
  - apply theories to the analysis of hypothetical or realistic situations
  
2. understand some of the expected effects of trade policy on different segments of a country's economy, including owners of capital and different groups of workers and consumers.

**Topics: Course Organization tentative schedule:**

Topics align with the textbook chapters. There are two major sections to the course and book: International Trade Theory and International Trade Policy.

<b>Day 1:</b>	<b>Course outline Please watch VIDEOS!!!!</b> .....	Introduction
<b>Day 2:</b>	<b>Chapter 1</b> .....	Introduction to world trade
<b>Day 3:</b>	<b>Chapter 2</b> .....	World Trade: An Overview
<b>Day 4-6:</b>	<b>Chapter 3</b> ... ..	Labor Productivity and Comparative Advantage: The ..... Ricardian Model
<b>Day 7-9</b>	<b>Chapter 4</b> .....	Specific Factors and Income Distribution
<b>Oct 9</b>	<b>Midterm 1</b> .....	
<b>Day 10-13</b>	<b>Chapter 5</b> .....	Resources and Trade: The Heckscher-Ohlin Model
<b>Day 14-16</b>	<b>Chapter 6</b> .....	The Standard Trade Model
<b>Day 17-18</b>	<b>Chapter 7</b> .....	External Economies of Scale and the International ..... Trade Location of Production
<b>Nov. 8</b>	<b>Midterm 2</b> .....	

**Day 20-22 Chapter 8** ..... Firms in the Global Economy: Export Decisions,  
..... Outsourcing and Multinational Enterprises

**Section II: International Trade Policy**

**Day 23-25 Chapter 9** .....The Instruments of Trade Policy

**Evaluation**

Feedback on evaluation will be appreciated.

<b><u>EVALUATION 18.3670</u></b>	<b><u>Weight</u></b>
1. Test 1 October 9, 2018 (half of class period)	15 %
2. Post test questionnaire	1 %
3. Test 2 November 8, 2018 (full class period)	25 %
4. Post test questionnaire	2 %
5. Final exam in examination period (3 hours)	40 %
6. Assignments (approx. 10 - one for each chapter)	12 %
7. <u>Class/group participation, in class problems</u>	5 %
Total:	100 %

Conversion (All Grades are Subject to Department Approval):

Less than 50 %	F	70 % to 74.9 %	B
50 % to 59.9 %	D	75 % to 79.9 %	B+
60 % to 64.9 %	C	80 % to 89.9 %	A
65 % to 69.9 %	C+	90 % to 100 %	A+

**BRING A CALCULATOR TO ALL EXAMS.**

**No cellphones in exams, cellphones off during class.**

**All exams are cumulative.**

**Late penalties:****Assignments:**

Late penalties vary by assignment. Assignments due during the registration revision period (up to September 21) incur no late penalty. Following this date, there are daily late penalties. These are higher during periods where past students have needed a strong incentive to keep up with course material. By the last two assignments, the late penalty is lower, as students may need to juggle a lot of work toward the end of term. **Late penalties are shown on EACH Assignment on MyEconLab.**

**Midterms or final exams**

The midterm will be conducted during class time. Expect to be seated. The final exam will be conducted in the examination room. I will assign seat numbers prior to the final exam. Look for them on UMLearn. Sit in your assigned seat.

**Academic honesty is expected:**

Please refer to the current University Calendar for university policy on plagiarism and cheating (check the web Calendar). Please note that the penalties for cheating are severe, will often include an F in the course, and a note on your transcript. Also note, I send all materials on which cheating is suspected directly to Arts before I inform the student. Don't cheat, especially in my class. It is not worth it.

**ACADEMIC HONESTY IMPORTANT:**

**Any student who speaks or communicates in any way to another student during an exam, including while handing in the exam, will be given a zero and reported to their Faculty.**

**If the final exam is in a room with dividers between desks, any student who leans back during the final exam will be asked to hand in the exam and given a zero. Leaning back with partitions facilitates cheating, and if you lean back, we will presume you are attempting to cheat. Consider yourself warned. You will receive seat numbers for the final exam. You must sit in your specifically assigned seat.**

QUESTIONS ON TESTS AND EXAMINATIONS will be based on lectures **and all other course materials including lecture material that is not in notes.**

### **Missing a midterm exam:**

All tests and examinations must be written. If any student is unable to take a test on the designated day, because of a clash with a religious holiday or other valid reason, he or she is asked to notify me at least two (2) weeks before the test date. If illness or an emergency prevents the student taking a test he or she is asked to notify me immediately and obtain a medical certificate from a doctor or proof of emergency, which I can confirm. (Students will only be allowed to write a makeup test for **documented** medical or compassionate reasons.) Note: Medical reasons include mental health.

Note: It is NOT FAIR for a student to earn a grade based on how well they can write an exam while ill and have that grade measured alongside the grade of a student who wrote an exam healthy. If you are ill, get a doctor's note. Once an exam is written, its grade stands. If you are crashing psychologically, get a doctor's note. (The only time I have ever needed longer term leave was for mental health, not physical. This is the norm. It's time we brought it into the light. )

### **Student accessibility**

Students who require extra supports or time to write an exam for physical or psychological reasons should contact [Student Accessibility Services](#). There is a fairly clear process for obtaining supports. If you may need them, contact them as soon as possible!

### **Appendix: Student supports, health and wellness, copyright, and your rights and responsibilities**

#### **A. Student learning support**

##### **Writing and Learning Support**

The Academic Learning Centre (ALC) offers services that may be helpful to you throughout your academic program. Through the ALC, you can meet with a learning specialist to discuss concerns such as time management, learning strategies, and test-taking strategies. The ALC also offers peer supported study groups called Supplemental Instruction (SI) for certain courses that students have typically found difficult. In these study groups, students have opportunities to ask questions, compare notes, discuss content, solve practice problems, and develop new study strategies in a group-learning format.

You can also meet one-to-one with a writing tutor who can give you feedback at any

stage of the writing process, whether you are just beginning to work on a written assignment or already have a draft. If you are interested in meeting with a writing tutor, reserve your appointment two to three days in advance of the time you would like to meet. Also, plan to meet with a writing tutor a few days before your paper is due so that you have time to work with the tutor's feedback.

**These Academic Learning Centre services are free for U of M students.** For more information, please visit the Academic Learning Centre website at: <http://umanitoba.ca/student/academiclearning/>

You can also contact the Academic Learning Centre by calling 204-480-1481 or by visiting 201 Tier Building.

### **University of Manitoba Libraries (UML)**

As the primary contact for all research needs, your liaison librarian can play a vital role when completing academic papers and assignments. Liaisons can answer questions about managing citations, or locating appropriate resources, and will address any other concerns you may have, regarding the research process. Liaisons can be contacted by email or phone, and are also available to meet with you in-person. A complete list of liaison librarians can be found by subject: <http://bit.ly/WcEbA1> or name: <http://bit.ly/1tJ0bB4>. In addition, general library assistance is provided in person at 19 University Libraries, located on both the Fort Garry and Bannatyne campuses, as well as in many Winnipeg hospitals. For a listing of all libraries, please consult the following: <http://bit.ly/1sXe6RA>. When working remotely, students can also receive help online, via the Ask-a-Librarian chat found on the Libraries' homepage: [www.umanitoba.ca/libraries](http://www.umanitoba.ca/libraries).

### **B. Health and wellness:**

**For 24/7 mental health support, contact the Mobile Crisis Service at 204-940-1781.**

#### **Student Counselling Centre**

Contact SCC if you are concerned about any aspect of your mental health, including anxiety, stress, or depression, or for help with relationships or other life concerns. SCC



offers crisis services as well as individual, couple, and group counselling. *Student Counselling Centre*: <http://umanitoba.ca/student/counselling/index.html>

474 University Centre or S207 Medical Services

(204) 474-8592

### **Student Support Case Management**

Contact the Student Support Case Management team if you are concerned about yourself or another student and don't know where to turn. SSCM helps connect students with on and off campus resources, provides safety planning, and offers other supports, including consultation, educational workshops, and referral to the STATIS threat assessment team.

*Student Support Intake Assistant* <http://umanitoba.ca/student/case-manager/index.html>

520 University Centre

(204) 474-7423

### **University Health Service**

Contact UHS for any medical concerns, including mental health problems. UHS offers a full range of medical services to students, including psychiatric consultation.

*University Health Service* <http://umanitoba.ca/student/health/>

104 University Centre, Fort Garry Campus

(204) 474-8411 (Business hours or after hours/urgent calls)

### **Health and Wellness**

Contact our Health and Wellness Educator if you are interested in information on a broad range of health topics, including physical and mental health concerns, alcohol and substance use harms, and sexual assault.

*Health and Wellness Educator* <http://umanitoba.ca/student/health-wellness/welcome.html>

[Katie.Kutryk@umanitoba.ca](mailto:Katie.Kutryk@umanitoba.ca)

469 University Centre

(204) 295-9032

## Live Well @ UofM

For comprehensive information about the full range of health and wellness resources available on campus, visit the Live Well @ UofM site:

<http://umanitoba.ca/student/livewell/index.html>

## C. Copyright

All students are required to respect copyright as per Canada's *Copyright Act*. Staff and students play a key role in the University's copyright compliance as we balance user rights for educational purposes with the rights of content creators from around the world. The Copyright Office provides copyright resources and support for all members of the University of Manitoba community.

Visit <http://umanitoba.ca/copyright> for more information.

## D. Your rights and responsibilities

As a student of the University of Manitoba you have rights and responsibilities. It is important for you to know what you can expect from the University as a student and to understand what the University expects from you. Become familiar with the policies and procedures of the University and the regulations that are specific to your faculty, college or school.

The [Academic Calendar](http://umanitoba.ca/student/records/academiccalendar.html) <http://umanitoba.ca/student/records/academiccalendar.html> is one important source of information. View the sections *University Policies and Procedures* and *General Academic Regulations*.

While all of the information contained in these two sections is important, the following information is highlighted.

- If you have questions about your grades, talk to your instructor. There is a process for term work and final **grade appeals**. Note that you have the right to see your final examination scripts. See the Registrar's Office website for more information

including appeal deadline dates and the appeal form <http://umanitoba.ca/registrar/>

- You are expected to view the General Academic Regulation section within the Academic Calendar and specifically read the **Academic Integrity** regulation. Consult the course syllabus or ask your instructor for additional information about demonstrating academic integrity in your academic work. Visit the Academic Integrity Site for tools and support <http://umanitoba.ca/academicintegrity/> View the **Student Academic Misconduct** procedure for more information.
- The University is committed to a respectful work and learning environment. You have the right to be treated with respect and you are expected conduct yourself in an appropriate respectful manner. Policies governing behavior include the:

### **Respectful Work and Learning Environment**

[http://umanitoba.ca/admin/governance/governing\\_documents/community/230.html](http://umanitoba.ca/admin/governance/governing_documents/community/230.html)

### **Student Discipline**

[http://umanitoba.ca/admin/governance/governing\\_documents/students/student\\_discipline.html](http://umanitoba.ca/admin/governance/governing_documents/students/student_discipline.html) and,

### **Violent or Threatening Behaviour**

[http://umanitoba.ca/admin/governance/governing\\_documents/community/669.html](http://umanitoba.ca/admin/governance/governing_documents/community/669.html)

To clarify. If you feel threatened at the university contact Security Services (555 from any campus phone), and if you feel really threatened, contact the police (911). You should also report any threats.

- If you experience **Sexual Assault** or know a member of the University community who has, it is important to know there is help available in Winnipeg. Information and resources can be found by reviewing the Sexual Assault site <http://umanitoba.ca/student/sexual-assault/>
- The **Sexual Assault** policy, written in legal language, may be found at: [http://umanitoba.ca/admin/governance/governing\\_documents/community/230.html](http://umanitoba.ca/admin/governance/governing_documents/community/230.html)
- For information about rights and responsibilities regarding **Intellectual Property** view the policy [http://umanitoba.ca/admin/governance/media/Intellectual\\_Property\\_Policy\\_-\\_2013\\_10\\_01.pdf](http://umanitoba.ca/admin/governance/media/Intellectual_Property_Policy_-_2013_10_01.pdf)

For information on regulations that are specific to your academic program, read the section in the Academic Calendar and on the respective faculty/college/school web site <http://umanitoba.ca/faculties/>

Contact an **Academic Advisor** within our faculty/college or school for questions about your academic program and regulations <http://umanitoba.ca/academic-advisors/>

### **Student Advocacy**

Contact Student Advocacy if you want to know more about your rights and responsibilities as a student, have questions about policies and procedures, and/or want support in dealing with academic or discipline concerns.

<http://umanitoba.ca/student/advocacy/>

520 University Centre

204 474 7423

[student\\_advocacy@umanitoba.ca](mailto:student_advocacy@umanitoba.ca)

Students caught cheating on a test will want to contact the Student Advocate. They will help you navigate the rules. They will also offer support as you cope with penalties if they apply, which is often the case.