ECON 3116 / ECON5316
International Trade
Course Outline
Semester 2, 2015

Part A: Course-Specific Information

Students are also expected to have read and be familiar with Part B Supplement to All Undergraduate Course Outlines. This contains Policies on Student Responsibilities and Support, Including Special Consideration, Plagiarism and Key Dates. It also contains the BUSINESS SCHOOL PROGRAM LEARNING GOALS.
# Table of Contents

1 STAFF CONTACT DETAILS  
1.1 Communications with staff  

2 COURSE DETAILS  
2.1 Teaching Times and Locations  
2.2 Units of Credit  
2.3 Summary of Course  
2.4 Aims and Relationship to Other Courses  
2.5 Student Learning Outcomes  

3 LEARNING AND TEACHING ACTIVITIES  
3.1 Approach to Learning and Teaching in the Course  
3.2 Learning Activities and Teaching Strategies  

4 ASSESSMENT  
4.1 Formal Requirements  
4.2 Assessment Details  
4.3 In-tutorial Tests  
4.4 Assignment Submission Procedure  
4.5 Late Submission of Assignment  
4.6 Final Exam Format  
4.7 Quality Assurance  

5 COURSE EVALUATION AND DEVELOPMENT  

6 COURSE RESOURCES  

7 COURSE SCHEDULE  
7.1 Lecture Schedule  
7.2 Tutorial Schedule
1 STAFF CONTACT DETAILS

Lecturer-in-charge: Zhanar Akhmetova  
Room: BUSINESS SCHOOL 404A  
Phone No: 9385 4965  
Email: z.akhmetova@unsw.edu.au  
Consultation Times – Tuesdays 3-5 pm or by appointment

1.1 Communications with staff

You should feel free to contact your lecturer about any academic matter. However, you are strongly encouraged, for efficiency, to make all enquiries about the subject material at lectures or tutorials or during consultation time. Discussion of course subject material will not be entered into via lengthy emails.

Email correspondence on administrative matters (e.g. advising inability to attend tutorial) will be responded to within 48 hours, but not over weekends. Please note that the lecturer has no advance notice of the date and time of the exam [the subject of many emails].

2 COURSE DETAILS

2.1 Teaching Times and Locations

Lectures start in Week 1 (to Week 12): The time and location are: 
Tuesdays, 12pm - 2pm, Central Lecture Block 8 (E19)

Tutorials start in Week 2 (to Week 13). A full list of tutorials, times and tutors will be on the Course Website.

2.2 Units of Credit

The course is worth 6 units of credit. This course is taught in parallel to both undergraduate and postgraduate students.

2.3 Summary of Course

The course provides a theoretical analysis of international trade topics with references to empirical evidence. Students will learn the main empirical patterns of current international trade and how to access sources of this information. They will become familiar with the concept of comparative advantage, and study models showing how technological differences, differences in resource endowments, and economies of scale determine trade patterns and income distribution. The effects of various trade policy instruments on welfare will be analysed. The course touches upon currently relevant issues such as offshoring, export subsidies in agriculture and high-technology industries, and international trade agreements. Students will acquire the problem-solving skills necessary to analyse these and similar matters.

2.4 Aims and Relationship to Other Courses

This course is offered as part of the economics stream in the B.Com and B.Econ degrees. The pre-requisite for this course is ECON2101. The course covers the main theories of international trade and international trade policy. The course has a
microeconomic focus and is complementary to ECON3104 International Macroeconomics which focuses on the international aspects of macroeconomics.

2.5 Student Learning Outcomes

The Course Learning Outcomes are what you should be able to DO by the end of this course if you participate fully in learning activities and successfully complete the assessment items.

The Learning Outcomes in this course also help you to achieve some of the overall Program Learning Goals and Outcomes for all undergraduate coursework students in the BUSINESS SCHOOL. Program Learning Goals are what we want you to BE or HAVE by the time you successfully complete your degree. You demonstrate this by achieving specific Program Learning Outcomes - what you are able to DO by the end of your degree.

For more information on the Undergraduate Program Learning Goals and Outcomes, see Part B of the course outline.

The following table shows how your Course Learning Outcomes relate to the overall Program Learning Goals and Outcomes, and indicates where these are assessed:

<table>
<thead>
<tr>
<th>Program Learning Goals and Outcomes</th>
<th>Course Learning Outcomes</th>
<th>Course Assessment Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>This course helps you to achieve the following learning goals</td>
<td>On successful completion of the course, you should be able to:</td>
<td>This learning outcome will be assessed in the following items:</td>
</tr>
</tbody>
</table>
| 1 Knowledge | Describe and interpret the assumptions and structure of standard models of international trade theory and policy. | • Assignment  
• In-tutorial Test  
• Final Exam |
| 2 Critical thinking and problem solving | Use the standard models of international trade to interpret and analyse real problems and issues in international economics. Describe and interpret how institutions and policy affect international trade. | • Assignment  
• In-tutorial Test  
• Final Exam |
| 3a Written communication | Construct written work that is logically and professionally presented. | • Assignment  
• Final Exam |
| 3b Oral communication | Not specifically addressed in this course. | Not specifically assessed. |
| 4 Teamwork | Not specifically addressed in this course. | Not specifically assessed. |
| 5a. Ethical, environmental and sustainability considerations | Not specifically addressed in this course. | Not specifically assessed. |
| 5b. Social and cultural awareness | Not specifically addressed in this course. | Not specifically assessed. |
3 LEARNING AND TEACHING ACTIVITIES

3.1 Approach to Learning and Teaching in the Course
The philosophy underpinning this course and its Teaching and Learning Strategies are based on “Guidelines on Learning that Inform Teaching at UNSW. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au. Specifically, the lectures, tutorials and assessment have been designed to appropriately challenge students and support the achievement of the desired learning outcomes. A climate of inquiry and dialogue is encouraged between students and teachers and among students (in and out of class). The lecturers and tutors aim to provide meaningful and timely feedback to students to improve learning outcome.

3.2 Learning Activities and Teaching Strategies
The examinable content of the course is defined by the references given in the Lecture Schedule, the content of Lectures, and the content of the Tutorial Program.

Lectures
The purpose of Lectures is to provide a logical structure for the topics that make up the course, to emphasize the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied.

Tutorials
Tutorials are an integral part of the subject. Tutorial problems will build on the material discussed in class with the lecturer.

Out-of-Class Study
While students may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time. Lectures can only provide a structure to assist your study, and tutorial time is limited.

An “ideal” strategy (on which the provision of the course materials is based) might include:

- Reading of the relevant chapter(s) of the text and any readings before the lecture. This will give you a general idea of the topic area.
- Attendance at lectures. Here the context of the topic in the course and the important elements of the topic are identified. The relevance of the topic should be explained.
- Attending tutorials and attempting the tutorial questions.
4 ASSESSMENT

4.1 Formal Requirements

In order to pass this course, you must:
- achieve a composite mark of at least 50 out of 100;
- make a satisfactory attempt at ALL assessment tasks, i.e. obtain a mark of at least 40% in every assessment item.

4.2 Assessment Details

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Weighting</th>
<th>Length</th>
<th>Due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment</td>
<td>20%</td>
<td>3 pages</td>
<td>23:59 on 5 Oct., 2015</td>
</tr>
<tr>
<td>In-tutorial Test</td>
<td>20%</td>
<td>50 minutes</td>
<td>Week 6</td>
</tr>
<tr>
<td>Final Exam</td>
<td>60%</td>
<td>2 hours</td>
<td>As scheduled in official exam period</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.3 In-tutorial Tests

There will be 1 written tutorial test in Week 6. Students will have 50 minutes to complete the test.

In principle, students must sit the tutorial test in the tutorial group to which they have been allocated. If you need to swap a tutorial group to take the test, it is better that you swap with another class that is run by the same tutor. Please inform both the tutor and the lecturer of your need to swap tutorial groups. No supplementary in-tutorial tests will be offered. Students who do not attend and do not have adequate reason will be awarded a mark of zero.

Documentary evidence for an absence (e.g. medical certificate) must be provided to the Lecturer-in-charge via the online Special Consideration system. Applications for special consideration must be lodged online through myUNSW within 3 working days of the assessment (Log into myUNSW and go to My Student Profile tab > My Student Services channel > Online Services > Special Consideration). Then submit the originals or certified copies of your completed Professional Authority form (pdf - download here) and any supporting documentation to Student Central.

If approved, the student will have their final mark re-weighted according to the weight of the missed piece of assessment.

Employment obligations or holiday plans of any kind are not acceptable reasons for absence from any test/examination.
4.4 Assignment Submission Procedure

Information regarding the assignment will be provided on Moodle early in the semester. Students must submit 1 hard copy and 1 electronic copy of their assignment. The electronic copy is to be submitted to the course website through Turnitin by 11:59pm on the due day. Instructions will be available on the website. Upload a copy of your document -do not paste text. Use your student ID in the file name. The hard copy is to be submitted to the Tutor in the first tutorial class after the due days. Do not use plastic sheets or binders. Simply staple the pages together. Your name and ID should be on the cover page.

4.5 Late Submission of Assignment

10% of the value of the assignment will be deducted for each day (24 hours) or part thereof which the electronic copy of an assignment is submitted to the course website after the deadline. Assignments submitted more than five days late will not be marked.

4.6 Final Exam Format

The final exam will be held during the University examination period with the date and time determined by the University. It will cover materials covered in lectures and tutorials during Weeks 1-13 (inclusive), and will have the following structure:

Part A: short-answer questions (1/2) that require diagrams and verbal explanations. You will be able to choose 3 questions from the available questions.

Part B: longer essay type questions and/or problems (1/2) that require diagrams, verbal explanations and numerical results if applicable. Normally, one longer question contains 3-4 sub-questions. The first 2-3 sub-questions involve basic application of textbook theories. The last 1 or 2 sub-question will be challenging but still achievable.

The final exam will test the ability of students to explain the assumptions and structure of standard models in international trade theory and policy and to analyze simple versions of these models. In addition students will need to be able to apply these models to interpret and analyze real problems in international economics. The questions will also test knowledge of important policy issues in international trade.

4.7 Quality Assurance

The BUSINESS SCHOOL is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of BUSINESS SCHOOL programs. All material used for such processes will be treated as confidential and will not be related to course grades.
5 COURSE EVALUATION AND DEVELOPMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process is one of the ways in which student evaluative feedback is gathered. You are strongly encouraged to take part in the feedback process.

6 COURSE RESOURCES

The website for this course is on UNSW Moodle at: http://moodle.telt.unsw.edu.au

The prescribed textbook for this subject (available at the UNSW Bookshop) is


Free student resources of the textbook are available online at

http://bcs.worthpublishers.com/feenstrataylor_intltrade/default.asp?s=&n=&i=&v=&o=&ns=0&uid=0&rau=0

Self-tests questions are the basic applications of textbook theory. You can do self-tests quickly right after the lecture or after you preview the lecture notes and textbook before lecture. You may want to look into the incorrectly answered questions from the textbook or ask help from classmates, the tutor or the lecture.

Web exercises and tutorial questions are the advanced application or extension of textbook theory. You can work on web exercises when you have time to do the tutorial questions. If you still have trouble solving the web exercise and tutorial questions after attending the tutorial and reading the solution of tutorial question, you may want to seek help as well.

Students will find the following textbook useful for some parts of the course. Required chapters will be posted online.

7 COURSE SCHEDULE

7.1 Lecture Schedule
Lectures start in Week 1 and finish in Week 12.

There will be a set of lecture notes, with additional readings, on the Course website.

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1 27 July</td>
<td>Introduction to International Trade; The Ricardian Model</td>
<td>FT Chapters 1-2</td>
</tr>
<tr>
<td>Week 2 3 August</td>
<td>Gains and Losses from Trade in the Specific-Factors Model</td>
<td>FT Chapter 3</td>
</tr>
<tr>
<td>Week 3 10 August</td>
<td>Trade and Resources: The Heckscher-Ohlin Model</td>
<td>FT Chapter 4</td>
</tr>
<tr>
<td>Week 4 17 August</td>
<td>Movement of Labor and Capital Between Countries</td>
<td>FT Chapter 5</td>
</tr>
<tr>
<td>Week 5 24 August</td>
<td>Increasing Returns to Scale and Imperfect Competition</td>
<td>FT Chapter 6</td>
</tr>
<tr>
<td>Week 6 31 August</td>
<td>Foreign Outsourcing of Goods and Services</td>
<td>FT Chapter 7</td>
</tr>
<tr>
<td>Week 7 7 September</td>
<td>Import Tariffs and Quotas under Perfect Competition</td>
<td>FT Chapter 8</td>
</tr>
<tr>
<td>Week 8 14 September</td>
<td>Import Tariffs and Quotas under Imperfect Competition</td>
<td>FT Chapter 9</td>
</tr>
<tr>
<td>Week 9 21 September</td>
<td>Export Subsidies in Agriculture and High Technology Industries</td>
<td>FT Chapter 10</td>
</tr>
</tbody>
</table>

Mid-semester break: Saturday 26 September - Monday 5 October inclusive

| Week 10 5 October     | International Agreements on Trade, Labor and the Environment | FT Chapter 11  |
| Week 11 12 October    | The Political Economy of Trade Policy                       | KO Chapter 9    |
| Week 12 19 October    | Review of all lectures                                      |                 |
| Week 13 26 Oct        | NO LECTURE                                                 |                 |

7.2 Tutorial Schedule
Tutorials start in Week 2 and finish in Week 13. Tutorial questions and solutions will be posted on the Course website.

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<td>NO TUTORIALS</td>
<td></td>
</tr>
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<td>Week 2 3 August</td>
<td>Introduction to International Trade; The Ricardian Model</td>
<td>LECTURE</td>
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