

ECON6302

International Trade

Course Outline

Semester 2, 2017

Course-Specific Information

The Business School expects that you are familiar with the contents of this course outline. You must also be familiar with the Course Outlines Policies webpage which contains key information on:

- Program Learning Goals and Outcomes
- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Student Support and Resources

This webpage can be found on the Business School website:

<https://www.business.unsw.edu.au/degrees-courses/course-outlines/policies>

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1 STAFF CONTACT DETAILS

Lecturer-in-charge: Arpita Chatterjee
Location: Room 430C UNSW Business School
Phone: 9385 4314
Email: arpita.chatterjee@unsw.edu.au
Consultation Times: Thursdays 4-6 pm

Lecturer-in-charge: Scientia Professor Alan Woodland
Location: Room 416 UNSW Business School
Phone: 9385 9707
Email: a.woodland@unsw.edu.au
Consultation Times: Wednesdays, 3-4 pm or by appointment

1.1 Communications with staff

You should feel free to contact your lecturer(s) about any academic matter. However, it is strongly encouraged, for efficiency, that all enquiries about the subject material be made at lectures or during consultation time. Discussion of course subject material will not be entered into via lengthy emails.

Email correspondence on administrative matters 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:
Thursdays, 6-9 pm, Business School 130.

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 theory and practice of international trade. The course will emphasize both traditional neo-classical trade theory as well as the more modern heterogeneous firm-level models of trade. The principles and predictions of these theories will be used to consider the recent developments in Australian trading relations and international trading relations in general.

2.4 Aims and Relationship to Other Courses

The course aims to develop an understanding of economic and political issues related to trade using modern micro-theoretic tools. This course is an elective subject for the Economics Honours program and the MPhil, MEc and PhD programs in Economics. This course assumes that you have solid understanding of undergraduate microeconomic theory and have at least completed intermediate microeconomics (ECON 2101). Prerequisites and degree regulations are outlined in the UNSW Handbook.

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 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 Program Learning Goals and Outcomes, see the School's Course Outlines Policies webpage available at

<https://www.business.unsw.edu.au/degrees-courses/course-outlines/policies>.

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

Program Learning Goals and Outcomes		Course Learning Outcomes	Course Assessment Item
<i>This course helps you to achieve the following learning goals</i>		<i>On successful completion of the course, you should be able to:</i>	<i>This learning outcome will be assessed in the following items:</i>
1	Knowledge	Understand and solve partial equilibrium and simple general equilibrium models of international trade.	<ul style="list-style-type: none"> • Assignment • Final Exam
2	Critical thinking and problem solving	Analyze the effects of changing trade barriers on factor returns, composition of consumption and production, and welfare. Evaluate the incentives and welfare consequences of offshoring.	<ul style="list-style-type: none"> • Assignment • Final Exam
3a	Written communication	Construct written work which is logically and professionally presented.	<ul style="list-style-type: none"> • Assignment • Final Exam
3b	Oral communication	Communicate ideas in a succinct and clear manner.	<ul style="list-style-type: none"> • In-class presentation
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.

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 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, and the relevance of the topic will be explained.
- Seriously attempting the homework questions.

4 ASSESSMENT

4.0 You must complete the “Working with Academic Integrity” module on your Moodle site, before you hand in any written work.

- You **MUST** complete the ‘Working with Academic Integrity’ module AND THE MODULE’S QUIZ, found on your course Moodle site, **BEFORE YOU ARE ALLOWED TO SUBMIT ANY WRITTEN ASSESSMENT**.
- If your submission is delayed because you did not complete the module and the quiz, you may be liable to late penalties as specified in your course outline.
- Failing to comply with the University rules of Academic integrity may result in serious consequences:
 - All cases of plagiarism (regardless of their severity) ARE recorded with the University Integrity Office University register.

- Depending on the level of the plagiarism/misconduct, the penalties may include a FAIL grade for the assessment piece, a FAIL grade for the course, or being expelled for serious/repeat offences.

Any misconduct, including plagiarism, is recorded on your Conduct Record. If you have only one academic misconduct at the lowest level (level A) in your career, then the record is wiped clear when you graduate. Otherwise it remains there permanently.

Many professions, such as accounting and law, require access to the student's Conduct Record.

4.1 Formal Requirements

To pass this course, you must:

- achieve a composite mark of at least 50 out of 100; and
- make a satisfactory attempt at ALL assessment tasks. This means attendance at 80% of lectures (10 out of 12) and a mark of at least 40% in all assessment items.

4.2 Assessment Details

Assessment Task	Weighting	Length	Due date
In-class Assignment	25%		Week 7
Oral Presentation	20%	In-class presentation	Week 13
Final Exam	50%	Take-home exam	As scheduled in official exam period
Participation in the presentations	5%	In-class presentation	As scheduled in official exam period
Total	100%		

4.3 Class Presentation

There will be class presentations by students in week 13. The presenter(s) work on a current topic of relevance to trade policy and structure of trade. The presenters are expected to prepare a 20-25 slide presentation summarizing the motivation, contribution, literature, empirical methods and results of their research. Each student will have a 30-minute presentation. The list of topics will be posted on the Moodle site in the 2nd week of class. Students are expected to inform the lecturers of their choice by week 9. Students can work in groups of two. Students are expected to actively participate in each others' presentations providing feedback. One component of the final exam will be writing a brief report on the presentation topic extending on the presentation based on feedback and follow-up discussions.

4.4 Assignment Submission Procedure

Students individually complete assignment 1 and 2 in class. Please write your name and student ID on the answer sheet provided by the lecturer. The assignments will test the ability of students to explain the assumptions and structure of standard models in international trade theory.

4.5 Late Submission of Assignment

Not applicable

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. The final exam will test the ability of students to understand international trade theory and trade policy, and to use international trade data.

4.7 Protocol for viewing final exam scripts

The UNSW Business School has set a protocol under which students may view their final exam script. Please check the protocol [here](#).

4.8 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 myExperience Survey Tool 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

6.1 Course website

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

6.2 Textbook and readings

There is no prescribed textbook for this subject. Students interested in pursuing research work in trade are recommended to buy the following (some copies are available at the UNSW Bookshop).

Feenstra. Robert C. 2006 *Advanced International Trade: Theory and Evidence*, Princeton University Press

Feenstra's book is a recent one and covers a wide variety of materials ranging from classical trade models to organization of firms.

The examinable content of the course is defined by the references given in the Lecture schedule, the content of lectures, and the assignments.

Copies of the supplementary lecture notes, whenever needed, will be available on the course website on Moodle. Journal articles can be downloaded from the ejournals option on SIRIUS on the UNSW Library website. Most journal articles are available from ECONLIT. The assigned books are available from the Library (usually on open reserve).

7 COURSE SCHEDULE

7.1 Lecture Schedule

Lectures start in Week 1 and finish in Week 12.

All required readings will be posted on the Course website as the course progresses.

LECTURE SCHEDULE		
Week	Topic	'Texbook' reference
Week 1 24 July	Modelling International Trade	Feenstra, Ch. 1, 3
Week 2 31 July	Factor Endowment Differences: Heckscher-Ohlin Theory	Feenstra, Ch. 2-3
Week 3 7 August	Technology Differences: Ricardian Trade Theory	
Week 4 14 August	International Trade Policy Issues: Small Open Economies	Feenstra, Ch. 6-8
Week 5 21 August	International Trade Policy Issues: A Trading World	Feenstra, Ch. 6-8
Week 6 28 August	Imperfect Competition and Trade: Monopolistic Competition	Feenstra, Ch. 5
Week 7 4 September	Imperfect Competition and Trade: Heterogeneous Firms and Melitz Model	References in Moodle
Week 8 11 September	Extensions of Melitz model: Multi-sector model and Multiproduct Firms	References in Moodle
Week 9 18 September	Variable Markups: Theory and Estimation	References in Moodle
Mid-semester break: 23 September – 2 October inclusive (2 Oct = Labour Day Public Holiday)		
Week 10 3 October	Product Quality: Theory and Estimation	References in Moodle
Week 11 9 October	NO LECTURE	
Week 12 16 October	Trade and Labour Market / Rise of China in the World Economy	References in Moodle
Week 13 23 October	Student presentations	