

**Faculty Liberal Arts and Professional Studies  
Department of Economics**

**Course:** AP/ECON 3150 3.00 Section B  
**Course Webpage:** <https://moodle.yorku.ca>  
**Term:** Fall Term 2019

International Trade

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**Course Instructor:**

Name: Andrea Podhorsky  
Office: 1058 Vari Hall  
Phone: ext. 77030  
Office Hours: Wednesdays, 3:00 to 4:00 pm or by appointment  
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**Lecture Time and Location:**

Thursdays, 11:30 to 2:30; SLH B

**TA Hours:** TBA

**Prerequisite/Co-requisite:**

AP/ECON 1000 3.00 and AP/ECON 1010 3.00 or equivalents.

**Course Credit Exclusions:**

GL/ECON 4290 6.00.

**Course Description:**

This course studies the interdependence that arises from international trade in goods and services. The course will cover the most fundamental trade models, and will often refer to current issues of international trade politics and globalization. Among the treated questions are: Why do countries trade? Does international trade deepen wage inequality? Is growth in emerging economies bad for Western countries? How does trade affect competition? What are the consequences of protectionism? Although the course will emphasize the understanding of past and current events in the world economy, we will heavily rely on formal economic modelling to help us understand these events. Additional topics include studying the institutions dealing with, and regulating trade policy.

**Required Course Materials:**

International Economics\*, 11<sup>th</sup> Ed., by Paul Krugman, Maurice Ostfeld and Marc Melitz

\*An ebook is available from the York University bookstore for \$95. A loose-leaf version is also available for an additional \$20. Use the access code from your ebook and the link:

<https://console.pearson.com/enrollment/jlikfb>

You may also purchase the 9<sup>th</sup> edition used (see Amazon.ca).

Additional readings may be assigned or recommended during the course.

**Evaluation**

Test 1* (Chapters 2, 3, 4, 5)	25%	October 10
Test 2* (Chapters 6, 7, 8)	25%	November 14
Final Exam (Cumulative with emphasis on chapters 9, 11, 12)	50%	TBA

\*If either in-class test is missed, the weight will be transferred to the final exam (no YorkU attending physician's statement is required).

### Course Add/Drop Deadlines

	Fall Term 2019 (F)
Last date to add a course <b>without permission</b> of instructor (also see Financial Deadlines)	Sept. 17
Last date to add a course with permission of instructor (also see Financial Deadlines)	Oct. 1
Last date to drop a course without receiving a grade (also see Financial Deadlines)	Nov. 8
Course Withdrawal Period (withdraw from a course and receive a grade of "W" on transcript – see note below)	Nov. 9 - Dec. 3

Policy and Guidelines on Withdrawing from Course:

<http://secretariat-policies.info.yorku.ca/policies/withdrawn-from-course-w-policy-and-guidelines/>  
<https://registrar.yorku.ca/enrol/dates/fw19>

### **Policy on Make-up/Deferred Exams and Assignments:**

No permission will be given to a student to write an exam prior to the dates given above. No make-up exam will be given for the in-class tests. The deferred exam for the final exam will be granted **only for medical reasons**. In such cases students should submit a deferred exam application together with the supporting documents (YorkU attending physician's statement) to the economics department to my attention. The date and time of the deferred exam will be set at a later date. Students who may require further extensions or accommodation will have to submit a formal petition to the Faculty.

### **Important Course Information:**

Final course grades given by the instructor will use the standard York grading scale and may be adjusted to conform to Program or Faculty grades distribution profiles. All students are expected to familiarize themselves with the following information, available from the York University website:

- York's Academic Honesty Policy and Procedures (Academic Integrity Website)
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning and psychiatric disabilities
- Student Conduct Standards and Grading/Feedback Policy
- Religious Observance Accommodation

### **Topics:\***

Sept 5	World Trade: An Overview (Chapter 2)
Sept 12	Labor Productivity and Comparative Advantage (Chapter 3)
Sept 19	Specific Factors and Income Distribution (Chapter 4)
Sept 26	Resources and Trade: The Heckscher-Ohlin Model (Chapter 5)
Oct 3	The Standard Trade Model (Chapter 6)
Oct 10	Test 1
Oct 17	Reading Week
Oct 24	External Economies of Scale and the International Location of Production (Chapter 7)
Oct 31	Firms in the Global Economy (Chapter 8)
Nov 7	International Trade Policy (Chapter 9)
Nov 14	Test 2
Nov 21	Trade Policy in Developing Countries (Chapter 11)
Nov 28	Controversies in Trade Policy (Chapter 12)

\* While supplemental readings may be added during the course of the semester, we will follow the text closely. It is strongly recommended that assigned readings be completed prior to attending class.