

## Economics 475: International Trade Theory (CRN: 14956)

### KEY INFORMATION

Professor: Justin May

Email: [jbmay@wm.edu](mailto:jbmay@wm.edu) (please send email only from your W&M account)

Office: 124 Morton Hall

Phone: 757.221.2398

Meeting Time/Place: TR 11:00-12:20 in 302 Morton Hall

Office Hours: TR 1:30-3:00, or by appointment

Text: Salvatore, Dominick. *International Economics*, 9e.

### READINGS

Readings will come from the text referenced above as well as outside sources. Outside readings are meant to complement rather than duplicate the material in the text and *will be covered* on examinations. These readings vary in their technical rigor; I will let you know when portions of a reading lie beyond the scope of this course. To aid you in finding them, all outside readings will be posted to Blackboard as .pdf files. The naming scheme for outside readings is: author's last name-abbreviated journal name-year of publication.

### ASSIGNMENTS AND GRADING

Your course grade will be composed of four parts—two in class midterm examinations worth 20 percent each, a paper worth 20 percent, and a comprehensive final examination worth 40 percent. Ungraded homework assignments and their solutions will be posted to Blackboard roughly every two weeks. You are welcome to work on these problem sets on your own or in small groups. Although the assignments will not be collected, they are excellent practice for the exams, and students who complete them typically fare better in the course. Practice examinations will also be made available on Blackboard; usually, these are actual examinations given in past semesters. There is no better way to gauge your preparation for an upcoming exam than by attempting the practice exams.

The midterm exams will last 80 minutes and will take place in class on September 29 and November 3. The paper will be due in class on November 24. The final exam will take place on December 7 from 2:00-5:00 p.m. *If you cannot perform exams and assignments at these times, you should not elect this course.* I do not give makeup examinations readily, and I only give them with a valid excuse. Valid excuses have documentation from the Office of the Dean of Students. Except in the case of a serious emergency, *students who miss an examination without prior authorization will receive a grade of zero.* Students who submit the paper late will be penalized five percentage points per day. If you have a disability that requires accommodation, please contact me no later than the third week of class.

*Letter grades will be assigned on a relative scale, but the scale will never be worse than 90-80-70-60.*

That is, any student who earns more than 90 percent of the available points during the semester is guaranteed a grade in the A range, any student who earns between 80 and 89.9 percent of the available points during the semester is guaranteed at least a grade in the B range, and so on.

## EXPECTATIONS

- Come to class having read the relevant material and ready to participate. Class is much more enjoyable if there's a lively discussion, and everyone (including your professor!) benefits from others' insights.
- Keep up. Doing the readings and problem sets as they are assigned lets you check your understanding of the material and makes exam preparation less daunting.
- Contact me if you are having trouble with the material. It is my hope that everyone learns the material, and I am willing to go to great lengths to help those who help themselves.
- Give feedback. The style and content of my teaching is constantly evolving, and I take my duties as an educator very seriously. If there's something you feel would make the class more effective, please feel free to suggest it.
- Maintain academic integrity. *Any suspected violations of the Honor Code will be referred immediately to the Honor Council.*

## READING SCHEDULE

<b>Week of:</b>	<b>Reading</b>	<b>Notes</b>
August 24	Krugman-AER-1993	One meeting
August 31	Salvatore Chapter 2	
September 7	Salvatore Chapter 3	
September 14	Samuelson-JEP-2004 Salvatore Chapter 4	
September 21	Salvatore Chapter 4 (continued) Salvatore Chapter 5	
September 28	Salvatore Chapter 5 (continued)	First midterm
October 5	Krugman-JIE-2000 Salvatore Chapter 6	
October 12	Salvatore Chapter 6 (continued)	One meeting
October 19	Broda-Weinstein-FRBNY-2005 Salvatore Chapter 7 Helpman-JEP-1999	
October 26	Salvatore Chapter 8	
November 2	Salvatore Chapter 9 USITC-2007 (executive summary only)	Second midterm
November 9	Irwin-Book-2009 Salvatore Chapter 10	
November 16	Krueger-TWE-2000 Salvatore Chapter 11	
November 23	Salvatore Chapter 11 (continued) Bhagwati-Srinivasan-AER-2002 Aisbett-Harrison-Zwane-Mimeo-2005	One meeting Paper due
November 30	Salvatore Chapter 12 Bhagwati-Panagariya-Srinivasan-JEP-2004 Schumer-Roberts-NYT-2004	

## **Paper Assignment**

**(Due in class on November 24)**

### **INSTRUCTIONS**

- Choose a news article (not an “opinion” column such as an editorial) published within six months of the due date of the paper. The article may come from *The New York Times*, *The Wall Street Journal*, *The Financial Times*, *The Economist*, or *Business Week* and must relate to international trade.
- Summarize in one tight paragraph the story contained in the article.
- Identify the important issues posed explicitly and implicitly in the article from the standpoint of international trade theory or policy.
- Use the tools and knowledge you have acquired in this course to analyze the issues you have identified.

### **REQUIREMENTS**

- Your paper may not exceed four pages in length, exclusive of the cover page and of pages devoted solely to endnotes, appendices, figures, and references.
- On the cover page, on successive lines, centered, roughly one-third of the way down the page, place: the title of your article, the name of the periodical, the date of publication, your name, and “Economics 475, Fall 2009”.
- The paper must be typed and double spaced; use margins of one inch and 12-point font.
- Attach a copy of the article (or articles, if the story is told in a series of reports).
- Staple together all of the pages of your submission including the article or articles.
- Number each page of your paper other than your cover page. Consider the cover page to be page zero, but do not number it.

### **SUGGESTIONS**

- Begin immediately your search for a suitable article. To this end, you will probably want to read regularly at least one of the periodicals mentioned above.
- Choose your article carefully. It should be easy to find an article that bears on international trade. It will be more challenging (though certainly not difficult) to find an article that permits you to discuss issues and tools of relevance to this class. *Remember the point of the exercise: to show me what you have learned in this course.*
- Wherever possible, enrich your writing with examples and references drawn from course discussions and materials. Wherever necessary, define important terms and explain the assumptions underlying your arguments. Points will be awarded for organized and coherent argumentation.
- You are not required to find and consult sources other than those that appear on the syllabus, but you certainly are not prohibited from conducting research in the library or reading ahead on the syllabus! Nor are you prohibited from consulting multiple articles, in various periodicals, covering the same event.