

**Faculty of Science Course Syllabus
Department of Economics
ECON 5330
International Trade
Winter 2023**

Dalhousie University is located in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq. We are all Treaty people. We acknowledge the histories, contributions, and legacies of the African Nova Scotian people and communities who have been here for over 400 years.

Instructor Information:

Professor Teresa (Tess) Cyrus (she/her) E-mail address: tcyrus@dal.ca

Office Hours:

Online office hours are available on weekdays with 24 hours' notice; email your instructor to make an appointment.

Course Delivery:

The course will be delivered in person.

Calendar Description:

This course examines the theory and empirics of international trade. It covers the classical Ricardian theory of comparative advantage, the neoclassical factor proportions theory, and the new trade theories that incorporate increasing returns and productivity differences, and discusses empirical testing of these theories. The course investigates the use of trade policy in industrial and developing countries, as well as the institutions that have been developed to regulate those policies.

Course Prerequisites:

Graduate standing in the Department of Economics or permission of the instructor

Course Objectives/Learning Outcomes:

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

- Explain how different theories can be used to explain trade flows.
- Evaluate the effect of international trade on other economic outcomes.
- Critically analyze published studies.
- Find and analyze data to form conclusions.
- Produce clear and effective essays and presentations.

Course Materials:

This course does not have a textbook. Students will be required to read articles that will be available through the library, and are responsible for material presented in PowerPoints and lecture videos. The reading list may be updated during the term.

Course Assessment:

Review Quizzes (6)	24%
Assignments (6)	60%
Presentation	10%
Participation	6%

Review Quiz Dates:

Review Quiz 1	Tuesday, January 24, available 12:00-11:59 p.m. (20-minute time limit)
Review Quiz 2	Tuesday, February 7, available 12:00-11:59 p.m. (20-minute time limit)
Review Quiz 3	Tuesday, February 28, available 12:00-11:59 p.m. (20-minute time limit)
Review Quiz 4	Tuesday, March 14, available 12:00-11:59 p.m. (20-minute time limit)
Review Quiz 5	Tuesday, March 28, available 12:00-11:59 p.m. (20-minute time limit)
Review Quiz 6	Tuesday, April 11, available 12:00-11:59 p.m. (20-minute time limit)

Assignment Due Dates:

Assignment 1	Thursday, January 26, 11:59 p.m.
Assignment 2	Thursday, February 9, 11:59 p.m.
Assignment 3	Thursday, March 2, 11:59 p.m.
Assignment 4	Thursday, March 16, 11:59 p.m.
Assignment 5	Thursday, March 30, 11:59 p.m.
Assignment 6	Thursday, April 13, 11:59 p.m.

Presentation Due Date:

Presentation	Thursday, April 20, 11:59 p.m.
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The review quizzes will be held on Brightspace and will contain 10 multiple choice questions on the PowerPoints and lectures. Each review quiz is worth 4%. The review quizzes will be available on the dates listed above between 12:00 noon and 11:59 p.m. Students will have 20 minutes to complete each quiz.

The assignments will be done individually and submitted on Brightspace. Each assignment is worth 10%. One of the requirements for each assignment is that students record a short video (no longer than five minutes) on FlipGrid (<https://flip.com/0342055c>) showing and describing a one-slide summary of their assignment results.

The presentation consists of a PowerPoint or PDF file submitted on Brightspace, with an accompanying 10-minute video of the presentation recorded on FlipGrid.

The participation mark is earned from commenting on other students' assignment videos on FlipGrid. After each assignment (due on Thursdays by 11:59 p.m.), students have until Sunday of that week at 11:59 p.m. to provide a brief but substantive response on at least four other students' videos.

Conversion of Numerical Grades to Final Letter Grades:

A+ (90-100) A (85-89) A- (80-84)
B+ (77-79) B (73-76) B- (70-72)
F (<70)

Course Policies:

- Late assignments will be penalized by 10 points (out of 50 points) per day, starting immediately after the assignment is due at 11:59 p.m.
- However, you are allowed to submit one assignment up to 48 hours late without being assessed a late penalty, as long as you email your instructor before the due date, stating your name and B00 number and requesting the extended deadline.
- I will not accept any excuses for missed or late assignments; I do not accept the Student Declaration of Absence form for late assignments.
- Considering that you will have a 12-hour window in which to complete each quiz, I will not accept any excuses for missed or late quiz submissions; I do not accept the Student Declaration of Absence form for missed quizzes.
- Collaboration on review quizzes and assignments is not allowed and is considered a failure of academic integrity, which will be reported to the Academic Integrity Officer of the Faculty of Science.
- Plagiarism software may be used in the course.
- For help with technical issues, contact the IT help desk: <https://libraries.dal.ca/help/it-help-desk.html>

Course Content:**Module 1: Gains from Trade**

Frankel, J. and Romer, D., “Does Trade Cause Growth?,” *American Economic Review* 89:3 (1999), 379–99.

Wacziarg, R. and K. Welch, “Trade Liberalization and Growth: New Evidence,” *World Bank Economic Review* 22:2 (2008), 187-231.

Bernhofen, D. and Brown, J., “An Empirical Assessment of the Comparative Advantage Gains from Trade: Evidence from Japan,” *American Economic Review* 95:1 (2005), 208–25.

Module 2: Ricardian Model

MacDougall, G., “British and American Exports: A Study Suggested by the Theory of Comparative Costs,” *Economic Journal* 61:244 (1951), 697-724.

Balassa, B., “An Empirical Demonstration of Classical Comparative Cost Theory,” *Review of Economics and Statistics* 45:3 (1963), 231-238.

Golub, S. and Hsieh, C., “Classical Ricardian Theory of Comparative Advantage Revisited,” *Review of International Economics* 8:2 (2000): 221–234.

Costinot, A., Donaldson, D., and Komunjer, I., “What Goods Do Countries Trade? A Quantitative Exploration of Ricardo’s Ideas,” *Review of Economic Studies* 79:2 (2012), 581-608.

Module 3: Heckscher-Ohlin Model

Leontief, W., “Domestic Production and Foreign Trade: The American Capital Position Re-Examined,” *Proceedings of the American Philosophical Society* 97:4 (1953), 332-349.

Bowen, H., Leamer, E., and Sveikauskas, L., “Multicountry, Multifactor Tests of the Factor Abundance Theory,” *American Economic Review* 77:5 (1987), 791-809.

Trefler, D., “International Factor Price Differences: Leontief was Right!,” *Journal of Political Economy* 101:6 (1993), 961-987.

Trefler, D., “The Case of the Missing Trade and Other Mysteries,” *American Economic Review* 85:5 (1995), 1029-1046.

Module 4: Trade and Wages

Bound, J. and Johnson, G., “Changes in the Structure of Wages in the 1980s: An Evaluation of Alternative Explanations,” *American Economic Review* 82:3 (1992), 371-392.

Sachs, J. and Shatz, H., “Trade and Jobs in U.S. Manufacturing,” *Brookings Papers on Economic Activity* 1 (1994), 1-84.

Krugman, P., “Trade and Wages, Reconsidered,” *Brookings Papers on Economic Activity* (Spring 2008), 103-154.

Autor, D., Dorn, D., and Hanson, G., “The China Syndrome: Local Labor Market Effects of Import Competition in the United States,” *American Economic Review* 103:6 (2013), 2121-2168.

Attanasio, O., Goldberg, P., and Pavcnik, N., “Trade Reforms and Wage Inequality in Colombia,” *Journal of Development Economics* 74:2 (2004), 331-366.

Module 5: Gravity Model

Head, K., “Gravity for Beginners,” mimeo (2003), University of British Columbia.

Hummels, D. and Levinsohn, J., “Monopolistic Competition and International Trade: Reconsidering the Evidence,” *Quarterly Journal of Economics* 110:3 (1995), 799-836.

McCallum, J., “National Borders Matter: Canada-U.S. Regional Trade Patterns,” *American Economic Review* 85:3 (1995), 615-623.

Rauch, James E, “Networks Versus Markets in International Trade,” *Journal of International Economics* 48:1 (1999), 7–35.

Helpman, E., Melitz, M., and Rubinstein, Y., “Estimating Trade Flows: Trading Partners and Trading Volumes,” *Quarterly Journal of Economics* 123:2 (2008), 441-487.

Module 6: Trade Policy

Rose, A., “Do We Really Know that the WTO Increases Trade?,” *American Economic Review* 94:1 (2004), 98-114.

Baier, S. and Bergstrand, J., “Do Free Trade Agreements Actually Increase Members’ International Trade?,” *Journal of International Economics* 71:1 (2007), 72-95.

Amiti, M., Redding, S., and Weinstein, D., “The Impact of the 2018 Tariffs on Prices and Welfare,” *Journal of Economic Perspectives* 33:4 (2019), 187-210.



Course Schedule:

Week	Date	Content and Deliverables
1.	January 9	Module 1: Gains from Trade
2.	January 16	Module 1: Gains from Trade
3.	January 23	Module 2: Ricardian Model Submit: Review Quiz 1, due Tuesday, January 24, 11:59 p.m. Submit: Assignment 1, due Thursday, January 26, 11:59 p.m.
4.	January 30	Module 2: Ricardian Model
5.	February 6	Module 3: Heckscher-Ohlin Model Submit: Review Quiz 2, due Tuesday, February 7, 11:59 p.m. Submit: Assignment 2, Thursday, February 9, 11:59 p.m.
6.	February 13	Module 3: Heckscher-Ohlin Model
7.	February 20	Winter Reading Week
8.	February 27	Module 4: Trade and Wages Submit: Review Quiz 3, due Tuesday, February 28, 11:59 p.m. Submit: Assignment 3, due Thursday, March 2, 11:59 p.m.
9.	March 6	Module 4: Trade and Wages
10.	March 13	Module 5: Gravity Model Submit: Review Quiz 4, due Tuesday, March 14, 11:59 p.m. Submit: Assignment 4, due Thursday, March 16, 11:59 p.m.
11.	March 20	Module 5: Gravity Model
12.	March 27	Module 6: Trade Policy Submit: Review Quiz 5, due Tuesday, March 28, 11:59 p.m. Submit: Assignment 5, due Thursday, March 30, 11:59 p.m.
13.	April 3	Module 6: Trade Policy
14.	April 10	Last day of classes: Tuesday, April 11 (Friday schedule). Submit: Review Quiz 6, due Tuesday, April 11, 11:59 p.m. Submit: Assignment 6, due Thursday, April 13, 11:59 p.m.
15.	April 17	Submit: Presentation, due Thursday, April 20, 11:59 p.m.

University Policies and Statements

This course is governed by the academic rules and regulations set forth in the University Calendar and by Senate.

Academic Integrity

At Dalhousie University, we are guided in all of our work by the values of academic integrity: honesty, trust, fairness, responsibility and respect (The Center for Academic Integrity, Duke University, 1999). As a student, you are required to demonstrate these values in all of the work you do. The University provides policies and procedures that every member of the university community is required to follow to ensure academic integrity.

Information: https://www.dal.ca/dept/university_secretariat/academic-integrity.html

Accessibility

The Advising and Access Services Centre is Dalhousie's centre of expertise for student accessibility and accommodation. The advising team works with students who request accommodation as a result of a disability, religious obligation, or any barrier related to any other characteristic protected under Human Rights legislation (Canada and Nova Scotia).

Information: https://www.dal.ca/campus_life/academic-support/accessibility.html

Student Code of Conduct

Everyone at Dalhousie is expected to treat others with dignity and respect. The Code of Student Conduct allows Dalhousie to take disciplinary action if students don't follow this community expectation. When appropriate, violations of the code can be resolved in a reasonable and informal manner—perhaps through a restorative justice process. If an informal resolution can't be reached, or would be inappropriate, procedures exist for formal dispute resolution.

Code: https://www.dal.ca/dept/university_secretariat/policies/student-life/code-of-student-conduct.html

Diversity and Inclusion – Culture of Respect

Every person at Dalhousie has a right to be respected and safe. We believe inclusiveness is fundamental to education. We stand for equality. Dalhousie is strengthened in our diversity. We are a respectful and inclusive community. We are committed to being a place where everyone feels welcome and supported, which is why our Strategic Direction prioritizes fostering a culture of diversity and inclusiveness

Statement: <http://www.dal.ca/cultureofrespect.html>

Recognition of Mi'kmaq Territory

Dalhousie University would like to acknowledge that the University is on Traditional Mi'kmaq Territory. The Elders in Residence program provides students with access to First Nations elders for guidance, counsel and support. Visit or e-mail the Indigenous Student Centre (1321 Edward St) (elders@dal.ca).

Information: https://www.dal.ca/campus_life/communities/indigenous.html

Important Dates in the Academic Year (including add/drop dates)

https://www.dal.ca/academics/important_dates.html

University Grading Practices

https://www.dal.ca/dept/university_secretariat/policies/academic/grading-practices-policy.html

Student Resources and Support

Advising

General Advising https://www.dal.ca/campus_life/academic-support/advising.html

Science Program Advisors: <https://www.dal.ca/faculty/science/current-students/academic-advising.html>

Indigenous Student Centre: https://www.dal.ca/campus_life/communities/indigenous.html

Black Students Advising Centre: https://www.dal.ca/campus_life/communities/black-student-advising.html

International Centre: https://www.dal.ca/campus_life/international-centre/current-students.html

Academic supports

Library: <https://libraries.dal.ca/>

Writing Centre: https://www.dal.ca/campus_life/academic-support/writing-and-study-skills.html

Studying for Success: https://www.dal.ca/campus_life/academic-support/study-skills-and-tutoring.html

Copyright Office: <https://libraries.dal.ca/services/copyright-office.html>

Fair Dealing Guidelines <https://libraries.dal.ca/services/copyright-office/fair-dealing.html>

Other supports and services

Student Health & Wellness Centre: https://www.dal.ca/campus_life/health-and-wellness/services-support/student-health-and-wellness.html

Student Advocacy: <https://dsu.ca/dsas>

Ombudsperson: https://www.dal.ca/campus_life/safety-respect/student-rights-and-responsibilities/where-to-get-help/ombudsperson.html

Safety

Biosafety: <https://www.dal.ca/dept/safety/programs-services/biosafety.html>

Chemical Safety: <https://www.dal.ca/dept/safety/programs-services/chemical-safety.html>

Radiation Safety: <https://www.dal.ca/dept/safety/programs-services/radiation-safety.html>

Scent-Free Program: <https://www.dal.ca/dept/safety/programs-services/occupational-safety/scent-free.html>

Dalhousie COVID-19 information and updates: <https://www.dal.ca/covid-19-information-and-updates.html>