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ECON 4413-200: International Trade  
Summer 2022  
Department of Economics  
University of Colorado at Boulder

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Instructor: Dr. Namsuk Choi  
Office: Econ 14A  
In-person Office Hours: M-F 10:55 – 11:55 AM or by appointment  
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Lecture Classroom: Econ 119  
Class Meeting Time: M-F 09:20 AM - 10:55 AM

***Website***

Canvas is our class website:

- Login using your University of Colorado Boulder identikey and password  
<https://canvas.colorado.edu/>
- Under Course List, click “ECON 4413: International Trade”
- Note: all email correspondence will be through your CU Boulder email address. Do not use the Canvas mail or messages, it is not checked.

***Course Overview***

The purpose of this course is to have the upper end of the undergraduate students equip the strong analytical skills of international trade, investment and trade policy. To this end the ultimate goals of the course are for you to thoroughly understand the following theories and empirical evidence: technical concepts and the gains from trade, causes and consequences of trade, factor trade, direct foreign investment, offshoring, and trade policy.

The course consists of four closely related parts that include analytical tools, theories, forms of trade and trade policies. The first part of the course introduces microeconomic analytical tools and techniques. You will learn about production, supply and production possibilities, preferences, demand, and welfare, general equilibrium in open and closed economies, and the gains from trade. The second part of the course presents the trade theories on the determinants and consequences of trade: differences in technology, differences in factor endowment, distortions and externalities, and imperfect competition and increasing returns. The third part of the course focuses on the forms of trade: trade in factors of production, direct foreign investment and multinational firms. The fourth part of the course explores trade policy with alternative policy instruments such as tariffs, quotas and subsidies. The political economy of selecting domestic and international trade policies will be discussed.

***Course Modality***

**This is an in-person course.** You will be required to come to class. No part of this course is remote. We are hoping the in-person experience will make for a richer and less isolating learning experience for you.

### ***Textbook***

Markusen and Maskus, *International Trade: Theory and Applications*, Wiley-Blackwell Publishers, 2015.

This book is not in regular print. Professors Markusen and Maskus have been thankfully allow me to use the text and all class materials to teach this course. You can download the text and class notes from our course website.

### ***Class Technology***

**Clickers** - The class will use clickers. You will need to sign up for iClicker Reef. There are instructions to sign up for iClicker Reef through Canvas.

### ***Class Support/Help (Also found on Canvas)***

(1) The primary help options for the course are the professor who has regular office hours.

(2) The Economics Department maintains a list of tutors who are available for private hire. Its website is <https://www.colorado.edu/economics/node/515/attachment>.

**Do not fall behind in this course.** Students who keep up with all readings and assignments will succeed in the course. Summer course is highly condensed. Everyday works stack toward the completion of the summer course. Failing to keep up could result in failing the course. Do the required work. I want you to succeed in the course.

**Prerequisites:** Econ 3070, intermediate microeconomic theory, and ECON 1088 (or its equivalent) are pre-requisites for the course and are strongly enforced.

### ***Course Evaluation***

Clicker/Attendance	10%
Problem Sets	25%
Midterm 1	20%
Midterm 2	20%
Final	25%

**Clicker/Attendance (10%):** The class will use clickers for questions during class. Answers to clickers questions will be used for class attendance and will be a part of your grade. Students are required to attend the class regularly. This class is IN PERSON class. Students should attend classes more than 3/4 of the entire classes. Otherwise, students will automatically get the failing grade.

**Problem Sets (25%):** Problem sets are chosen from the sample questions of Markusen's Textbook. The problem solving assignment will be due at the assigned date. There will be 9 problem solving assignments. Student may submit 8 or more. You may miss up to one assignment without penalty. To encourage you to study and plan ahead, late assignments will not be accepted.

**Tests (65%):** The three exams will be analytical-essay type tests in which you would be asked to analyze the relationship between two relevant variables or evaluate the possible

effects of some trade policy. Missing an exam should be avoided. No makeup exams will be given. The midterm exam 1 (20%), and the midterm exam 2 (20%) will be on the specified chapters of the texts. The final exam (25%) is cumulative from all of the chapters that we will have learned.

**Letter Grade will be assigned as follows:**

- A : 94% - 100%
- A-: 90.00 – 93.99 %
- B+: 87.00 – 89.99 %
- B : 83.00 – 86.99 %
- B-: 80.00 – 82.99 %
- C+: 77.00 – 79.99 %
- C : 73.00 – 76.99 %
- C-: 70.00 – 72.99 %
- D+: 67.00 – 69.99 %
- D : 63.00 – 66.99 %
- D-: 60.00 – 62.99 %
- F : 0.00 - 59.99%

***Important Dates***

July 5, Monday – First day of class

July 15, Friday – Midterm Exam 1

July 22, Friday – Midterm Exam 2

Aug 5, Friday – Final Exam, Econ 119, 9:20-10:55 AM, Last day of class

***Tentative Course Schedule***

Many sections of the textbook are advanced and written more for master's and MBA students. Section that we may skip will be announced in class.

Module	Course Topics	Assignments (due)	Dates
1	<b>PART I: TECHNICAL TOOLS AND THE GAINS FROM TRADE</b> <ul style="list-style-type: none"> <li>Chapter 2 Supply and Production Possibilities</li> </ul>	PS#1 (July 6)	July 5, First day of class
2	<ul style="list-style-type: none"> <li>Chapter 3 Preferences, Demand, and Welfare</li> <li>Chapter 4 General Equilibrium in Open and Closed Economics</li> </ul>	PS#2 (July 8)	July 6-7
3	<ul style="list-style-type: none"> <li>Chapter 5 The Gains from Trade</li> </ul>		July 8
4	<b>PART II: DETERMINANTS OF TRADE</b> <ul style="list-style-type: none"> <li>Chapters 6 and 7 Differences in Technology between Countries</li> </ul>	PS#3 (July 12)	July 11- 12
5	<ul style="list-style-type: none"> <li>Chapters 8 and 9 Differences in Factor Endowments between Countries</li> </ul>	PS#4 (July 14)	July 13- 14
	<b>Midterm Exam 1</b>		<b>July 15, Friday.</b>
6	<ul style="list-style-type: none"> <li>Chapter 10 Distortions and Externalities as Determinants of Trade</li> </ul>	PS#5 (July 19)	July 18

7	<ul style="list-style-type: none"> <li>Chapter 11 Imperfect Competition and Increasing Returns I: oligopoly</li> </ul>		July 19
8	<ul style="list-style-type: none"> <li>Chapter 12 Imperfect Competition and Increasing Returns to Scale II: monopolistic competition</li> </ul>	PS#6 (July 21)	July 20-21
	<b>Midterm Exam 2</b>		<b>July 22, Friday.</b>
9	<b>PART III: FACTOR TRADE AND DIRECT FOREIGN INVESTMENT</b> <ul style="list-style-type: none"> <li>Chapter 15 Trade in Factors of Production</li> </ul>	PS#7 (July 26)	July 25
10	<ul style="list-style-type: none"> <li>Chapter 16 Direct Foreign Investment</li> </ul>	PS#8 (July 28)	July 26-27
11	<b>PART IV: TRADE POLICY</b> <ul style="list-style-type: none"> <li>Chapter 18 Tariffs</li> </ul>		July 28-29
12	<ul style="list-style-type: none"> <li>Chapter 19 Quotas</li> </ul>	PS#9 (Aug 2)	Aug 1
13	<ul style="list-style-type: none"> <li>Chapter 20 Imperfect Competition, Increasing Returns, and Strategic Trade Policy</li> <li>Chapter 21 Political Economy of Trade Policy (We may skip this chapter)</li> <li>Final Exam Review</li> </ul>		Aug 2-4
	<b>Final Exam</b>		<b>Aug 5, Friday,</b> Last day of class

## ***University Policies***

### **Classroom Behavior**

Both students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote or online. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. For more information, see the policies on [classroom behavior](#) and the [Student Conduct & Conflict Resolution policies](#).

### **Requirements for COVID-19**

As a matter of public health and safety, all members of the CU Boulder community and all visitors to campus must follow university, department and building requirements and all public health orders in place to reduce the risk of spreading infectious disease. Students who fail to adhere to these requirements will be asked to leave class, and students who do not leave class when asked or who refuse to comply with these requirements will be referred to [Student Conduct and Conflict Resolution](#). For more information, see the policy on [classroom behavior](#) and the [Student Code of Conduct](#). If you require accommodation because a disability prevents you from fulfilling these safety measures, please follow the steps in the “Accommodation for

Disabilities” statement on this syllabus.

CU Boulder currently requires masks in classrooms and laboratories regardless of vaccination status. This requirement is a precaution to supplement CU Boulder’s COVID-19 vaccine requirement. Exemptions include individuals who cannot medically tolerate a face covering, as well as those who are hearing-impaired or otherwise disabled or who are communicating with someone who is hearing-impaired or otherwise disabled and where the ability to see the mouth is essential to communication. If you qualify for a mask-related accommodation, please follow the steps in the “Accommodation for Disabilities” statement on this syllabus. In addition, vaccinated instructional faculty who are engaged in an indoor instructional activity and are separated by at least 6 feet from the nearest person are exempt from wearing masks if they so choose.

If you feel ill and think you might have COVID-19, if you have tested positive for COVID-19, or if you are unvaccinated or partially vaccinated and have been in close contact with someone who has COVID-19, you should stay home and follow the further guidance of the [Public Health Office](mailto:contacttracing@colorado.edu) (contacttracing@colorado.edu). If you are fully vaccinated and have been in close contact with someone who has COVID-19, you do not need to stay home; rather, you should self-monitor for symptoms and follow the further guidance of the [Public Health Office](mailto:contacttracing@colorado.edu) (contacttracing@colorado.edu). In this class, if you are sick or quarantined, you should contact the professor in order to make arrangements to keep up with the class and makeup assignments if necessary.

### **Accommodation for Disabilities**

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

### **Preferred Student Names and Pronouns**

CU Boulder recognizes that students' legal information doesn't always align with how they identify. Students may update their preferred names and pronouns via the student portal; those preferred names and pronouns are listed on instructors' class rosters. In the absence of such updates, the name that appears on the class roster is the student's legal name.

### **Honor Code**

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code academic integrity policy. Violations of the Honor Code may include, but are not limited to: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding

academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code ([honor@colorado.edu](mailto:honor@colorado.edu); 303-492-5550). Students found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found on the [Honor Code website](#).

## **Sexual Misconduct, Discrimination, Harassment and/or Related Retaliation**

CU Boulder is committed to fostering an inclusive and welcoming learning, working, and living environment. The university will not tolerate acts of sexual misconduct (harassment, exploitation, and assault), intimate partner violence (dating or domestic violence), stalking, or protected-class discrimination or harassment by or against members of our community. Individuals who believe they have been subject to misconduct or retaliatory actions for reporting a concern should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127 or email [cureport@colorado.edu](mailto:cureport@colorado.edu). Information about university policies, [reporting options](#), and the support resources can be found on the [OIEC website](#).

Please know that faculty and graduate instructors have a responsibility to inform OIEC when they are made aware of incidents of sexual misconduct, dating and domestic violence, stalking, discrimination, harassment and/or related retaliation, to ensure that individuals impacted receive information about their rights, support resources, and reporting options. To learn more about reporting and support options for a variety of concerns, visit [Don't Ignore It](#).

## **Religious Holidays**

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, if you have an upcoming religious holiday you should notify the professor or teaching assistant of the observance and how it might affect attendance or turning in assignments. It is your responsibility to notify your teacher or teaching assistant in advance for an accommodation.

See the [campus policy regarding religious observances](#) for full details.