



# ECON847

## International Trade

S2 External 2018

*Dept of Economics*

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## General Information

Unit convenor and teaching staff

Unit Convenor/Lecturer

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E4A 426

TBA on iLearn

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Credit points

4

Prerequisites

ECON632 or ECON633 or ECON649

Corequisites

Co-badged status

Unit description

This unit examines international trade both in theory and practice. It first reviews the theories related to inter- and intra-industry trade determination and the empirical evidence supporting them. It then examines trade policies, covering a wide range of topics, illustrated by up-to-date case studies. The unit has a policy approach and aims at also providing students with a good understanding of major trade issues around the world and the effects of globalisation on trade. It focuses on current applications of theoretical principles.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

## Learning Outcomes

On successful completion of this unit, you will be able to:

Knowledge and Understanding: Be conversant with major trade theories and policy measures.

Application and Critical Thinking: Evaluate the impact of trade-related issues on countries based on trade concepts and theories.

Ethical Thinking: Evaluate the impact of trade-related issues on countries with a focus on the tradeoffs between efficiency and equity.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<a href="#">Online Discussion</a>	10%	No	11am Every Other Saturday
<a href="#">Online Test 1</a>	30%	No	11am September 15
<a href="#">Individual Assignment</a>	20%	No	3pm Sunday October 21
<a href="#">Online Test 2</a>	40%	No	11am November 10

### Online Discussion

Due: **11am Every Other Saturday**

Weighting: **10%**

On every other Monday, each student will be assigned a question based on the lecture topics from the previous week. That is, for some students it starts in week 2, for others, in week 3. Students who are assigned a question will post his/her discussion of the given question on the iLearn discussion forum by 11am on Saturday of the same week, and will receive the lecturer's feedback within a week. Each student is expected to make 4 or 5 postings throughout the session. Students will be assessed based on the level of effort and the quality of discussion. No posting throughout the session will result in a mark of zero.

On successful completion you will be able to:

- Knowledge and Understanding: Be conversant with major trade theories and policy measures.
- Application and Critical Thinking: Evaluate the impact of trade-related issues on countries based on trade concepts and theories.

### Online Test 1

Due: **11am September 15**

Weighting: **30%**

The Online Test 1 will be held in week 7 and will include short-answer and long-answer questions based on lecture topics covered in weeks 1-6. The test questions and the answer sheet will be made available on the ECON847 iLearn website at 9am on Saturday, September 15. Students will need to submit their answers by 11am on Saturday, September 15 through

Turnitin on the ECON847 iLearn website. Late submissions will not be accepted. Further details will be provided in due course.

Note that it is your responsibility to make sure your computer and internet connection work properly at the time of downloading the test questions and uploading your answers.

Failure to submit the answers will result in a mark of zero. Exceptions will be made only if an application for Special Consideration is made and approved. For further details, see the University's Special Consideration policy: <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>.

Important Notice: Any student whose submission is not his/her own work will be automatically given a mark of zero. Students will also face serious disciplinary action, which may include an automatic failure of ECON847 and the possible exclusion from Macquarie University. Students should be aware that Turnitin will be used to determine the originality of the submitted answers. Students are also expected to be familiar with the University's Academic Integrity policy: <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/academic-integrity>.

On successful completion you will be able to:

- Knowledge and Understanding: Be conversant with major trade theories and policy measures.
- Application and Critical Thinking: Evaluate the impact of trade-related issues on countries based on trade concepts and theories.

## Individual Assignment

Due: **3pm Sunday October 21**

Weighting: **20%**

The individual assignment will include application/discussion questions regarding current trade issues related to the trade-off between efficiency and equity. Students will be provided with a set of academic/news articles. Further details will be provided before the mid-session break.

Students will have to complete and submit the assignment online by 3pm on Sunday October 21 through Turnitin on the ECON847 iLearn website.

Late submission will receive a deduction of 10% of the total marks for each 24-hour period that the submission is late (for example, 25 hours late in submission - 20% penalty). Submissions will not be accepted beyond 72 hours past the deadline. This penalty does not apply if an application for Special Consideration is made and approved. For further details, see the University's Special Consideration policy: <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>.

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On successful completion you will be able to:

- Knowledge and Understanding: Be conversant with major trade theories and policy measures.
- Application and Critical Thinking: Evaluate the impact of trade-related issues on countries based on trade concepts and theories.
- Ethical Thinking: Evaluate the impact of trade-related issues on countries with a focus on the tradeoffs between efficiency and equity.

## Online Test 2

Due: **11am November 10**

Weighting: **40%**

The Online Test 2 will be held in week 13 and will include short-answer and long-answer questions based on all topics covered throughout the session. The test questions and the answer sheet will be made available on the ECON847 iLearn website at 9am on Saturday November 10. Students will need to submit their answers by 11am on Saturday November 10 through Turnitin on the ECON847 iLearn website. Late submissions will not be accepted. Further details will be provided in due course.

Note that it is your responsibility to make sure your computer and internet connection work properly at the time of downloading the test questions and uploading your answers.

Failure to submit the answers will result in a mark of zero. Exceptions will be made only if an application for Special Consideration is made and approved. For further details, see the University's Special Consideration policy: <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>.

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On successful completion you will be able to:

- Knowledge and Understanding: Be conversant with major trade theories and policy measures.
- Application and Critical Thinking: Evaluate the impact of trade-related issues on

countries based on trade concepts and theories.

## Delivery and Resources

Each Monday, there will be video lectures, lecture slides, extra readings, and discussion questions made available at 9am every Monday on the ECON847 iLearn website. For topics to be covered, see 'Unit Schedule' below. Each week, students are expected to watch the video lectures, revise the materials and attempt to answer all discussion questions. Students who are assigned a discussion question should post his/her discussion on the iLearn discussion forum: see 'Assessment Task: Discussion' above. Apart from watching the video lectures, students are expected to spend at least 7-9 hours per week on independent learning.

### Technology used:

- All assessment tasks will be submitted on the ECON847 iLearn website.

### Prescribed Textbook:

- Pugel, T. A. (2014), *International Economics*, 16th ed., McGraw-Hill

### Other Recommended Textbooks:

- Krugman, P., Obstfeld, M., and Melitz, M. (2015) *International Economics: Theory & Policy*, 10th ed., Pearson.
- Feenstra, R., Taylor, A. (2017) *International Trade*, 4th ed., McMillan
- Salvatore, D. (2012), *Introduction to International Economics*, 3rd ed., Wiley.
- Gerber, J. (2014), *International Economics*, 6th ed., Pearson.
- Husted, S. and Melvin, J. (2013), *International Economics*, 9th ed., Pearson.

### Useful Websites:

- Australian Department of Foreign Affairs and Trade, [www.dfat.gov.au](http://www.dfat.gov.au)
- Australian Bureau of Statistics, [www.abs.gov.au](http://www.abs.gov.au)
- International Monetary Fund, [www.imf.org](http://www.imf.org)
- Organisation for Economic Cooperation and Development, [www.oecd.org](http://www.oecd.org)
- The Economist, [www.economist.com](http://www.economist.com)
- The United Nations Conference on Trade and Development (UNCTAD), [www.unctad.org](http://www.unctad.org)
- World Trade Organisation, [www.wto.org](http://www.wto.org)
- World Bank, [www.worldbank.org](http://www.worldbank.org)

## Unit Schedule

All chapter numbers relate to the prescribed textbook. See 'Delivery and Resources'.

- Weeks 1-3 | Trade Theories | Ch 2-6

- Basic Theory Using Demand and Supply
- Ricardian Model
- Heckscher-Ohlin Model
- New Trade Theory
- Weeks 4-6 | Trade Policies | Ch 8-9,11
  - International Trade Regime
  - Tariff Barriers
  - Non-Tariff Barriers
- Week 7 | Online Test 1
- Week 8 | Protectionism | Ch 10-11
- Week 9 | Trade and Development | Ch 7, 14
- Week 10 | Trade and Global Economy | Ch 13 and other sources\*
- Week 11 | Trade Blocs | Ch 12
- Week 12 | International Factor Movement | Ch 15
- Week 13 | Online Test 2

\* Other sources will be provided in due course.

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#) (**Note:** *The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.*)

Undergraduate students seeking more policy resources can visit the [Student Policy Gateway \(https://students.mq.edu.au/support/study/student-policy-gateway\)](https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/p\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/p)

[olicy-central](#)).

## Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/study/getting-started/student-conduct>

## Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit <ask.mq.edu.au>.

## Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

## Learning Skills

Learning Skills (<mq.edu.au/learningskills>) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

## Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

## Student Enquiries

For all student enquiries, visit Student Connect at <ask.mq.edu.au>

## IT Help

For help with University computer systems and technology, visit [http://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

When using the University's IT, you must adhere to the [Acceptable Use of IT Resources Policy](#). The policy applies to all who connect to the MQ network including students.

## Graduate Capabilities

### PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen



fields.

This graduate capability is supported by:

### **Learning outcome**

- Knowledge and Understanding: Be conversant with major trade theories and policy measures.

### **Assessment tasks**

- Online Discussion
- Online Test 1
- Individual Assignment
- Online Test 2

## **PG - Critical, Analytical and Integrative Thinking**

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

### **Learning outcomes**

- Application and Critical Thinking: Evaluate the impact of trade-related issues on countries based on trade concepts and theories.
- Ethical Thinking: Evaluate the impact of trade-related issues on countries with a focus on the tradeoffs between efficiency and equity.

### **Assessment tasks**

- Online Discussion
- Online Test 1
- Individual Assignment
- Online Test 2

## **PG - Engaged and Responsible, Active and Ethical Citizens**

Our postgraduates will be ethically aware and capable of confident transformative action in relation to their professional responsibilities and the wider community. They will have a sense of connectedness with others and country and have a sense of mutual obligation. They will be able to appreciate the impact of their professional roles for social justice and inclusion related to national and global issues

This graduate capability is supported by:

## Learning outcome

- Ethical Thinking: Evaluate the impact of trade-related issues on countries with a focus on the tradeoffs between efficiency and equity.

## Assessment task

- Individual Assignment

## Changes from Previous Offering

- Learning Outcomes
- Assessment Task and Weighting