

## **INST 371 – International Trade and Globalization**

### **University of Mississippi**

Spring 2016 - M,W,F 10am-10.50am, Honors 311

## **Syllabus**

### **Instructor Information**

Dr. David Fragoso Gonzalez

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Office: Holman 341

Office Hours: Mondays and Wednesdays, 2pm – 3pm, and by appointment.

### **Course Overview and Goals**

We often hear that we live in a globalized world, meaning that the world's people are more interconnected and interdependent than ever. Globalization has cultural, political, environmental, and economic dimensions. In his class, we will focus on the economic dimension of globalization. In particular, we will study the processes that deepen global economic interdependence – international trade, migration, and foreign investment.

Our goal is to understand the causes and consequences of these processes. Do they increase the size of the global “economic pie?” What is their contribution to economic inequality within and across borders? How are the processes of economic globalization affected by government policies and regulation? Is there, as Dani Rodrik argues in “The Globalization Paradox,” a fragile balance between the national scope of governments and the global nature of markets? Are democracy, national determination, and economic globalization fully compatible?

We will address these and other questions through the lens of economic theory, complemented by the analysis of current and historic case studies.

### **Course Materials**

Textbook (Required): Feenstra, Robert C., & Taylor, Alan M. (2011). *International Trade* (2<sup>nd</sup> ed.). New York, NY: Worth Publishers.

Additional required reading: Rodrik, Dani. (2012) *The Globalization Paradox: Democracy and the Future of the World Economy*. New York, NY: W.W. Norton & Company.

Other Readings: Additional readings from academic journals or the press will be added as the semester progresses.

Blackboard: An updated syllabus, homework assignments, slides, grades, and other information will be posted on <https://blackboard.olemiss.edu/>

### Evaluation

Element	Weight	Date	Details and Policy
Homework	20%	Announced weekly in class.	<ul style="list-style-type: none"> <li>- Exercises applying models and concepts developed in class.</li> <li>- Questions about readings.</li> </ul>
Paper	10%	Last week of class	<ul style="list-style-type: none"> <li>- Details to be announced as the semester unfolds. Will require applying concepts learned in class, data collection, and basic excel work (for which you will be trained).</li> </ul>
Participation	10%	Every lecture	<ul style="list-style-type: none"> <li>- Based on students' participation in class throughout the semester.</li> </ul>
Test 1	20%	Friday, February 26	<ul style="list-style-type: none"> <li>- Unexcused absences will result in a score of zero.</li> <li>- If you have a valid excuse to miss a test, I will administer a make-up test at the earliest convenient date.</li> </ul>
Test 2	20%	Friday, April 8	
Final Exam	20%	Friday, May 13, 8am	<ul style="list-style-type: none"> <li>- Non-cumulative.</li> </ul>

### Grades

- Every assignment will be graded on a 0-100% scale.
- Tests and Final Exam will be curved if the average score is initially lower than 80%. The curve will be set as to raise the average to 80%.
- At the end of the semester, I will compute your final numerical grade and round it to the nearest integer. For example, a score of 89.5% will be rounded up to

90%. A score of 89.4% will be rounded down to 89%. I will NOT assign + and – letter grades. Letter grades will be found using the standard conversion:

- 90-100%      A
- 80-89%        B
- 70-79%        C
- 60-69%        D
- <60%          F

### **Academic Integrity**

You are expected to comply with the University's Academic Discipline Policy. For details about your rights and responsibilities as a student consult the University's [M Book](#).

Homework: you may collaborate with your colleagues, but you should write and submit your own answers.

Paper: plagiarism and other forms of cheating will result in a score of 0 for the assignment, and will be reported to the University.

### **Students with Disabilities**

If you have a documented disability and wish to benefit from the accommodations granted to you by the university (different testing environment or extra time), please bring me the form issued by the University at least one week before the first test. If you wish to continue to use those accommodations in subsequent tests, send me an email at least one week before those tests.

### **Attendance and Participation**

This is a small class. A small class size is a benefit, but also a responsibility: I expect you to contribute by participating with questions and discussion. You will be allowed up to three unexcused absences in this class. Each additional absence will result in the deduction of three (3) points from your final numerical grade.

### **Use of technology**

Unless you have a documented disability requiring the use of your laptop in class, you will not be allowed to use it. The use of cellphones is strictly prohibited.

## **Course Outline (Textbook chapters)**

- Trade in the Global Economy (Ch. 1): defining basic concepts and describing main patterns and trends
  
- Explaining Trade, Migration, and Investment Patterns:
  - Trade and Technology: the Ricardian Model (Ch.2)
  - Gains and Losses from Trade in the Specific Factors Model (Ch. 3)
  - Trade and Resources: The Heckscher-Ohlin Model (Ch. 4)
  - Movement of Labor and Capital between Countries (Ch. 5)
  - Increasing Returns to Scale and Monopolistic Competition (Ch. 6)
  - Offshoring of Goods and Services (Ch. 7)
  
- Assessing the Effect of Policy
  - Import Tariffs and Quotas (Ch. 8 & 9)
  - Export Subsidies in Agriculture and Hi-Tech (Ch. 10)
  - International Agreements on Trade, Labor, and the Environment (Ch. 11)
  
- The Political Economy of Globalization: Rodrik's Trilemma