

Class Meets:

TR. 3-4:15 pm (section 003), 4:30-5:45 pm (section 002). RAWL 1062.

Contacts:**Professor: Chong Xiang**

Office: KRAN 319

Hours: MF 11:30 am – 12:30 pm

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TA:**Sisi Zhou**

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Tristan Sze

Office: Virtual. See B2L Announcement.

Hours: MW 1-2 pm

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Course goal: We provide a broad overview of the microeconomic aspects of the international economy. We emphasize the development of analytical tools. We also show how we can apply these tools to questions with real-world relevance.

Prerequisites:

Econ 251, Econ 252 (Principles of Microeconomics, Principles of Macroeconomics)

Textbook:

1. Feenstra and Taylor, “International Trade”, 4th Edition. We follow the textbook very closely in class and cover about 70% of its contents.
2. Yeaple, Study Guide for Feenstra and Taylor’s International Trade, 2nd Edition. We take many practice problems from the Study Guide.

3 copies of the textbook (4th and 5th editions) and 3 copies of the Study Guide (2nd edition) are on reserve at Parrish (the management-and-econ library).

Distribution of homework and other materials: Brightspace**Course Grades:**

Attendance (3)	5%
Quizzes (best 5 out of 6)	25%
Homework Assignments (best 3 of 4)	25%
Midterm (in class)	20%

Final Exam

25%

Fixed Dates:Discussion & Application Sessions

Immigration: Feb. 27

Quizzes

Quiz 1: Jan. 21

Quiz 2: Jan. 30

Quiz 3: Feb. 13

Quiz 4: Feb. 25

Quiz 5: Apr. 1

Quiz 6: Apr. 17

Homework Assignments

Homework 1: posted Feb. 4, due back Feb. 11

Homework 2: posted Feb. 25, due back Mar. 4.

Homework 3: posted Apr. 3, due back Apr. 10.

Homework 4: posted Apr. 24, due back May 1.

Reviews

Review 1: Mar. 4

Review 2: May 1

Mid-term Exam

In class: Mar. 11

Final Exam

TBA.

Approximate Schedule of Class Materials:

This should be regarded as a likely (but not 100%-certain) schedule as some topics may run shorter or longer than planned. If adjustments are necessary I will try to make them far enough in advance to give you sufficient warning.

	Date	Topic	Coverage
1	Jan. 14-16	Introduction and Overview	Covers: Textbook Chapter 1;
2	Jan. 16-21	How to Think About Trade Deficits?	Posted Materials
3	Jan. 23 – Feb.6	Why do countries trade? The Ricardian Model	Covers: Textbook Chapter 2, sections 1~3.
4	Feb. 6 – Feb. 18	Who gain and who lose from trade? The Specific Factors Model	Covers: Textbook Chapter 3.

5	Feb. 18 – 25	Immigration	Covers: Textbook Chapter 5, sections 1~3, minus long-run effects.
6	Feb. 27	Discussion: What should we do about the U.S. immigration policy?	Posted Materials
7	Mar. 25-Apr. 3	How does trade affect income inequality? The Heckscher-Ohlin Model	Covers: Textbook Chapter 4, sections 1 and 3.
8	Apr. 3-Apr. 8	Offshoring	Covers: Textbook Chapter 7. Sections 1 and 3.
9	Apr. 10-24	Effects of Tariffs and Quota	Covers: Textbook Chapter 8, minus optimal tariff. Plus Posted Materials
10	Apr. 24-29	How to think about industrial policies?	Covers: Textbook Chapter 10, section 7

How Do I Get a Good Grade?

1. Classes

Attend the class, all the time. A lot of learning takes place while hearing and seeing the materials on your own, and converting them into your own notes. Your own notes are crucial. The more you write down, the less likely you are to get lost when you review the slides later. In addition, *quizzes and attendance together account for 30% of the grade!*

2. Homework Assignments

Set aside adequate time for the essay questions in the homework assignments, because they help you absorb the class materials as your own knowledge. *Hastily written essays may have substantially negative impacts on your assignment grades.*

3. Problems to Review 1

Review the answer keys to quizzes and assignments as soon as they are posted. *These problems are important for the exams.*

4. Problems to Review 2

In each homework assignment, there are self-study problems in the Study Guide that you do not need to turn in. *Take them seriously, because they may also be important for the exams.*

5. Exams and Crib Sheets

Start preparing for the exams early, at least a week in advance. In addition, if you make your own crib sheets (see FAQ 1 below), you will have an easier time locating the materials you want during the exams. *Make sure the crib sheet is 1 sided only, because a two-sided crib sheet will have very negative impacts on your exam grades.*

Consequences for Academic Dishonesty

The first violation leads to the loss of 5 points from the grand total. The second violation leads to the reduction of two letter grades (e.g. A to C) and formal report to the Dean.

Frequently Asked Questions (FAQs):

1. *Can I bring a crib sheet to the exams?*

Yes, you may bring one 8.5 x 11 sheet. This sheet may contain whatever material you like (But no magnifying glasses!), and is ONE-SIDED only. One sheet for each mid-term, and one sheet for the final.

2. *Is the final exam cumulative?*

No. The mid-terms cover materials 1~6 (see “Approximate Schedule of Class Materials” above). The final covers 7~10.

3. *When are the answer keys to homework assignments and quizzes posted?*

Soon after the due dates of the assignments, which are listed under “Fixed Dates”.

4. *Do you accept late homework assignments?*

No. Note that we drop one assignment in calculating the overall grade (best 3 out of 4).

5. *What will happen if I am late for a quiz class?*

All our quizzes are at the end of classes, and they encourage and reward class participation. Therefore, if you are very late for a quiz class, I will NOT be able to allow you to take the quiz. Note that we drop one quiz in calculating the overall grade (best 5 out of 6).

Appendix: Statements of Purdue Policies and Campus Resources**Academic Integrity**

Academic integrity is one of the highest values that Purdue University holds. Individuals are encouraged to alert university officials to potential breaches of this value by either [emailing](#) or by calling 765-494-8778. While information may be submitted anonymously, the more information that is submitted provides the greatest opportunity for the university to investigate the concern.

Nondiscrimination

Purdue University is committed to maintaining a community which recognizes and values the inherent worth and dignity of every person; fosters tolerance, sensitivity, understanding, and mutual respect among its members; and encourages each individual to strive to reach his or her own potential. In pursuit of its goal of academic excellence, the University seeks to develop and nurture diversity. The University believes that diversity among its many members strengthens the institution, stimulates creativity, promotes the exchange of ideas, and enriches campus life. [Link to Purdue's nondiscrimination policy statement.](#)

Students with Disabilities

Purdue University strives to make learning experiences as accessible as possible. If you anticipate or experience physical or academic barriers based on disability, you are welcome to let me know so that we can discuss options. You are also encouraged to contact the Disability Resource Center at: drc@purdue.edu or by phone: 765-494-1247.

Emergency Preparation

In the event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances beyond the instructor's control. Relevant changes to this course will be posted onto the course website or can be obtained by contacting the instructors or TAs via email or phone. You are expected to read your @purdue.edu email on a frequent basis.

Mental Health

- **If you find yourself beginning to feel some stress, anxiety and/or feeling slightly overwhelmed, try [WellTrack](#).** Sign in and find information and tools at your fingertips, available to you at any time.
- **If you need support and information about options and resources,** please see the [Office of the Dean of Students](#) for drop-in hours (M-F, 8 am- 5 pm).

- **If you're struggling and need mental health services:** Purdue University is committed to advancing the mental health and well-being of its students. If you or someone you know is feeling overwhelmed, depressed, and/or in need of mental health support, services are available. For help, such individuals should contact [Counseling and Psychological Services \(CAPS\)](#) at 765-494-6995 during and after hours, on weekends and holidays, or by going to the CAPS office of the second floor of the Purdue University Student Health Center (PUSH) during business hours.

Violent Behavior

Purdue University is committed to providing a safe and secure campus environment for members of the university community. Purdue strives to create an educational environment for students and a work environment for employees that promote educational and career goals. Violent Behavior impedes such goals. Therefore, Violent Behavior is prohibited in or on any University Facility or while participating in any university activity.