I have a limited reading list in the belief that less is more in learning economics. I may occasionally supplement the reading list with some current material from the flood of media generated data on international issues, particularly from the Economist. I encourage students to do likewise.

Practice thinking like an economist as you read or listen to popular descriptions of economic affairs; you will enjoy understanding more about the world and become more adept at taking exams in economics. Also, you may impress your friends (though this can easily backfire) and eventually prospective employers or clients.

Memorizing is not a successful strategy in this course; practicing analysis is. Practicing is done with exercises: besides those assigned it is best to do all of them. The textbook website has further support materials including exercises. Past experience indicates it is very useful to read the text before the lecture.
Ec 371 Course Requirements:
The midterm exam is March 14 (40%). The final exam (40%) will be at the scheduled
time. Exams missed without prior consent of instructor (given only in extraordinary
circumstances) will be graded "F." We never give makeup exams. Weekly problem sets
will constitute the remaining 20% of the grade.

Class participation counts in determining whether you get the benefit of the doubt.

Academic integrity is central to the mission of higher education. Please observe the
highest standards of academic integrity in this course. Please review the standards and
procedures that are published in the university catalog and on the web, at:
(http://www.bc.edu/offices/stserv/academic/resources/policy/#integrity). Make sure that
the work you submit is in accordance with university policies. If you have any questions,
please consult with me. Violations will be reported to the Deans' Office and reviewed by
the College's Committee on Academic Integrity. This could result in failure in the course
or even more severe sanctions.

* denotes optional reading

OTHER Sources


**Web Sites**

Feenstra-Taylor text site: http://bcs.worthpublishers.com/feenstrataylor2_intltrade/default.asp#t_640569____

This site has many suggestions for applications of the analyses and links to other sites with opinion and data.

**WTO**: www.wto.org

vast amount of information about the WTO and its dispute settlement processes. (How secretive is this organization?)

**Trade negotiations web page:**

http://www.cid.harvard.edu/cidtrade

lots of news and opinion on a wide range of trade negotiation issues.

**USTR reports**: http://www.ustr.gov/reports/index.html. USTR is the negotiation arm of US trade policy making; these are its briefs for disputes.

**The Economist**: www.economist.com. Lots of their excellent current stories and opinion are free.


Deardorff’s Glossary of International Economics terms: http://www-personal.umich.edu/~alandear/glossary/

**The Financial Times**: www.ft.com. They are especially strong on international finance topics, with frequently excellent reporting and analysis.
International Monetary Fund: [www.imf.org](http://www.imf.org). This is the premier internet source for international macroeconomic data. Their annual World Economic Outlook is very widely read.

**Course Outline**

**Background and Outline**
FT ch. 1, Irwin ch. 1

I. **Trade Patterns, Size and Trade Costs**
Notes ([www2.bc.edu/~anderson/GravityNotes.pdf](http://www2.bc.edu/~anderson/GravityNotes.pdf))


II. **Determinants of Trade and Factor Returns**

1. Technology and Trade: Ricardian Model
   FT, ch. 2
   Exercises: 1-8

2. Gainers and Losers from Trade: The Specific Factors Model
   FT, ch. 3
   Exercises: 1-10

3. Factor Endowment Proportions and Trade: the Heckscher-Ohlin Model
   FT, ch. 4
   Exercises: 1-6

4. Factor Movements
   FT, ch. 5
   Exercises: 1-8

5. Economies of Scale and Monopolistic Competition
   FT, ch. 6
   Notes
   Exercises: 1-4, 8, 9

6. Offshoring
   FT, ch. 7
   Exercises: 1-3, 6-8

III. International Policy

1. Trade Policies with Perfect Competition
   FT, ch. 8
   Exercises: 1-11

2. Trade Policies with Imperfect Competition
   FT, ch. 9
   Exercises: 1-6

3. Export Subsidies: Agriculture and High Tech
   FT, ch. 10
   Exercises: 1-6, 8, 9
4. International Agreements
   FT, ch. 11
   Notes (www2.bc.edu/~anderson/Institutions.pdf)
   Exercises: