AGEC 45000: International Agricultural Trade  
Fall 2017  

SYLLABUS  

Instructor: Russell Hillberry  
Krannert 564  
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Office Hours: Monday 11:30-1PM or by appointment  

Teaching Assistant: Manuel Jimenez  
Krannert 620  
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Lectures  
Monday, Wednesday and Friday 10:30am -11:20am  
Krannert G016  

Course Description  
The central questions addressed in this course are: 1) Why is there trade between nations?, 2) How does international trade affect the domestic economy? and 3) Can governments intervene in international trade in ways that benefit their citizens? The course develops formal economic models of international trade that provide answers to these and related questions. The course also develops an understanding of the main international trade policies and institutions, especially those that are important for trade in food and agricultural products.  

Prerequisites  
Students should have an understanding of introductory micro- and macro-economic theory. Skills that will be useful in this subject include algebra, an ability to read and interpret graphs, and an ability to write clearly and concisely in English.  

Learning Outcomes  
On successful completion of this subject you should be able to: explain the rationale for international trade in a variety of economic models, critically assess the models in terms of their assumptions and implications, discuss supplementary research that qualifies and extends the basic models, critically discuss the implications of international trade policies, institutions and agreements for international trade, especially trade in food and agricultural products.  

Reading  
The required textbook is  


Supplementary readings will be posted to the class Blackboard page. All of these readings are required. Many of the supplementary readings are formal academic articles that either test the theories we are learning or extend them. The purpose of such reading in this course is to understand the research question and the outcome, not the specifics of the scientific methods employed. We will discuss all of the readings in class, though a thorough understanding will benefit from reading the texts.
Academic Integrity

Students are reminded of the Purdue Honors Pledge:

As a Boilermaker pursuing academic excellence, I pledge to be honest and true in all that I do. Accountable together - we are Purdue.

The University policy on academic dishonesty is as follows:

Purdue prohibits "dishonesty in connection with any University activity. Cheating, plagiarism, or knowingly furnishing false information to the University are examples of dishonesty." [Part 5, Section III-B-2-a, Student Regulations] Furthermore, the University Senate has stipulated that "the commitment of acts of cheating, lying, and deceit in any of their diverse forms (such as the use of substitutes for taking examinations, the use of illegal cribs, plagiarism, and copying during examinations) is dishonest and must not be tolerated. Moreover, knowingly to aid and abet, directly or indirectly, other parties in committing dishonest acts is in itself dishonest." [University Senate Document 72-18, December 15, 1972]

Acts of academic dishonesty will not be tolerated in this class.

Grading

20% homework.
30% midterm examination.
50% final examination.

Students will be assigned five homework assignments during the term. The lowest one of these five scores will be dropped and the remaining four will each count for 5% of the total grade in the course.

Late assignments will be accepted subject to a 20% per day penalty, unless prior arrangements have been made with the instructor. Make-up exams will be given only under exceptional circumstances, and require prior approval of the instructor. Unexcused missing assignments will receive a zero.

The mid-term examination will be given in class on October 4.

The final examination will be given the week of Dec 11-16, at a time yet to be determined.

Final grades will be given on a curve with the rough aim of a 3.0 class GPA containing 25% A’s, 50% B’s and 25% C’s. I will use +/- grades and assign grades lower than C- as earned. This distribution is subject to change in either direction if the class as a whole does particularly well or particularly poorly.

General Course Policies

As a general courtesy to me and to the other students in the class, please put your cell phones on silent mode. As a matter of courtesy to others you are also encouraged to avoid entering late or exiting early.

Attendance

You are encouraged to attend every lecture. The lectures will contain information not in the textbook, and this material is testable.
**Counseling and Psychological 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 support, services are available. For help, such individuals should contact Counseling and Psychological Services (CAPS) at (765)494-6995 and [http://www.purdue.edu/caps/](http://www.purdue.edu/caps/) during and after hours, on weekends and holidays, or through its counselors physically located in the Purdue University Student Health Center (PUSH) during business hours.

**Accessibility and Accommodations**

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](mailto:drc@purdue.edu) or by phone: 765-494-1247.

**Nondiscrimination**

Purdue University prohibits discrimination against any member of the University community on the basis of race, religion, color, sex, age, national origin or ancestry, genetic information, marital status, parental status, sexual orientation, gender identity and expression, disability, or status as a veteran. The University will conduct its programs, services and activities consistent with applicable federal, state and local laws, regulations and orders and in conformance with the procedures and limitations as set forth in [Executive Memorandum No. D-1](http://www.purdue.edu/report-hate), which provides specific contractual rights and remedies. Any student who believes they have been discriminated against may visit [www.purdue.edu/report-hate](http://www.purdue.edu/report-hate) to submit a complaint to the Office of Institutional Equity. Information may be reported anonymously.
Lecture Outline (tentative)

Week 1: Introduction and overview, historical antecedents [Ch 1 and pp. 375-380]
8/21-8/25

Related Reading

Week 2: International trade in partial equilibrium [Ch 2]
8/28-9/1

Related Reading

9/4 Labor Day Holiday

Weeks 3-4: Comparative advantage, Ricardian Model [Ch 3]
9/6-9/11

Related Reading

Homework 1 due September 11.

Week 4: The Standard Theory of International Trade [Ch 4 and pp. 313-319]
9/13-9/15

Related Reading

Week 5: Offer Curves and the Terms of Trade [Appendix C]
9/18-20

Weeks 5-6: Heckscher-Ohlin/Specific Factors [Ch 5]
9/22-9/29

Related Reading


Homework 2 due in class October 2

Mid-term exam in class October 4

October break: No class on October 9
Weeks 7-8: Economies of scale/External economies/Reciprocal dumping [Ch 6]
10/2, 10/6, 10/11, 10/13

Related Reading

Week 9: Economic Growth and International Trade [Ch 7]
10/16-10/20

Related Reading

Homework 3 due in class October 27

Week 10: Analysis of a tariff [Ch. 8]
10/23-10/27

Related Reading

Week 11: Non-tariff barriers/Trade institutions [Ch 9 and Appendix D]
10/30 – 11/3

Related Reading


Week 12: Arguments for and against protection [Ch 10]
11/6-11/10

Related Reading

Week 13: Trade policy and agriculture
11/13-11/17

Related Reading


Homework 4 due in class November 17

Weeks 14-15: Preferential Trading arrangements [Ch 12]
11/20, 11/27

Related Reading


Thanksgiving Break: No class on Nov. 22 or Nov 24.

Week 15 Trade and the Environment [Ch 13]
11/29- 12/1

Related Reading

Homework 5 due in class December 8

Week 16 Review
12/4-12/9

Disclaimer
This syllabus is subject to change.