



REQUEST FOR APPROVAL TO USE W-DESIGNATION

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LSC # WT 210
Action _____

COVER SHEET: Request for Approval to Use W-Designation

4774

TYPE I. PROFESSOR COMMITMENT

- Professor & Phone Stephanie M. (Brewer) Jozefowicz Phone 357-2642
- Writing Workshop? (If not at IUP, where? when?) Yes: May 2000
- Proposal for one W-course (see instructions below)
- Agree to forward syllabi for subsequently offered W-courses? Yes

TYPE II. DEPARTMENT COURSE

- Department Contact Person & Phone _____ Phone _____
- Course Number/Title _____
- Statement concerning departmental responsibility
- Proposal for this W-course (see instructions below)

TYPE III. SPECIFIC COURSE AND SPECIFIC PROFESSOR(S)

- Professor(s) & Phone _____
- Course Number/Title _____
- Proposal for this W-course (see instructions below)

SIGNATURES:

Professor(s) <u>Stephanie M. Jozefowicz</u>	Date <u>2/13/02</u>
Department Chairperson <u>[Signature]</u>	Date <u>2/13/02</u>
College Dean <u>[Signature]</u>	Date <u>2/14/2002</u>
Director of Liberal Studies <u>[Signature]</u>	Date <u>3-20-02</u>

Proposal for Type I Professor Commitment Status for Writing Intensive Courses ECON345: International Trade

I. Writing Summary

I would like my ECON 345 International Trade course to be designated as a "W" course in the Liberal Studies program. I have taught this course once per year and expect to continue doing so in coming years. Students who take this course are typically upper-class economics, business, or international studies majors who have completed two semesters of introductory economics. Class size is limited to 20 students, and the section closes every semester.

Writing will be used in this course in five ways:

A. Various Short Papers

Throughout the semester, approximately four relatively short writing assignments will be made. Each individual assignment will be specified to be 1-2 or 2-3 pages in length. Assignments will be based on lecture materials and a variety of course reading materials including textbook selections, news articles contained in a course readings packet, research articles contained in a course readings packet, and web-based materials.

My basic philosophy about writing assignments and criteria for grading are provided on the course syllabus. Papers will comprise 20% of the final course grade. The total points available for any given paper will vary according to the specified length of the assignment. Students will have the opportunity to hand in a rough draft of their work for instructor feedback and suggestions for improvement before their final draft is completed.

Assignments will vary in the level of higher level critical thinking involved. Some assignments involve summarizing and interpreting the materials read. Other assignments require higher-level critical thinking such as reorganizing the materials in a new way, developing new illustrations of the basic material, and synthesizing the theory of international trade with real-world current events applications.

I view these assignments as an integral part of the course. I have been developing and using these writing assignments even though my course has not been designated with a "W" to date. I have attached copies of four writing assignments that I would likely use in a given semester.

B. The Journal Paper

At the beginning of the semester, students will be given instructions for compiling a current events journal and completing a corresponding journal paper assignment. The journal will require students to collect news articles throughout the semester as part of helping them connect the relevance of the course to the real world. Students will select a minimum of three related news articles about which they will write. This flexibility in choosing their own articles allows students to focus on an international trade/finance topic of particular individual interest. Students will summarize the contents of the articles, relate the articles to basic course theory, and synthesize across articles to explain how the articles are related to each other. The journal paper will require 3-4 pages of writing. I have attached a copy of the instructions for the journal and journal paper assignments.

C. Homework/In-class Assignments

Homework and in-class assignments will be made approximately once per week. In-class assignments will require students to work in a collaborative learning setting with other small group members. Assignments generally will ask students to evaluate specified readings in the course packet as illustrations of the economic theory currently being analyzed in the lecture. Discussion questions will address the readings and course theory. Students will hand in a written copy of their answers that will be graded.

D. Essay Exams

My upper-level exams are comprised strictly of written response short answer, essay, and problem solving types of questions. Exam questions require students to write explanations of international trade issues and theories. The explanations range from one sentence to one page, depending upon the question. Often, I will break up a question that could be written as one long essay into several specific parts to better guide students to include the important answer components for which I will be looking. This structure has helped me be more consistent in my grading and has decreased student complaints to the effect “you didn’t ask for that” regarding my grading of long essay answers.

Although there are some questions related to factual regurgitation of course material, the main emphasis of exam questions is on analyzing *why* things happen. Students must be able to write coherent explanations. Those who can’t typically fail the course. When graphical analysis or mathematical computations are required, they usually are accompanied by a subsequent question requiring a written explanation of their graphical analysis and/or calculations.

Students regularly moan about the length of my exams because they are forced to know the material well. To perform well, students must be able to organize their thoughts in the face of a time constraint. My basic philosophy is that students have as much time as they need to work on papers and complete homework assignments. Exams provide a unique format in which students must be able to think on their feet as they process and explain information in a timely manner. (Appropriate provisions are made, of course, for students with documented learning disabilities.) Exam length is based on the length of class time. I have been teaching upper level courses in a Tuesday-Thursday 1 ½ hour format. Hence, a major exam typically is eight pages in length and a final exam is ten pages since students have a full two hours to complete the final exam. Many students take most, if not all, of the class time allowed, and they spend that time writing. I have attached sample discussion questions from a final exam.

E. Extensive Note-taking

One of the primary focuses of the course is to relate economic theory to real-world events. As such, we frequently discuss current events and other material not covered in the text. All exam questions come out of the lectures and class discussions. The readings are intended to help elucidate the material I discuss in class. Students who develop their note-taking skills in my class tend to do very well because they must rely heavily upon lecture notes in studying the material.

Combined amount of writing:

Students will write an average of 12 pages (3,000 words) to complete the various short papers and the journal paper assignment. The major exams should average about 600 words each, and the final exam should average about 750 words of written explanations. Hence, the three exams will elicit on average a total of approximately 1,950 words. Considering the additional note-taking and homework/in-class assignments, students should easily exceed the 5,000-word guideline.

II. Copy of Course Syllabus

Attached is a modified course syllabus for how I will structure the course if it carries a writing intensive designation.

III. Sample Assignment Sheets

Attached are sample writing assignments which I have developed when teaching this course in past semesters. Actual assignment handouts additionally would include a specified due date. Discussion questions from a previous semester’s final exam are included, as well.

Summary Chart of Writing Assignments for ECON 345					
Assignment	Pages	# of Assignments	Grade (yes/no)	Revisions (yes/no)	% of Final Grade
Various Short Papers and The Journal Paper	10 - 15 (1 - 2, 2 - 3, or 3 - 4 pages per paper as the instructions specify)	5	yes	yes	20%
Homework/ In-class Assignments	8 - 15 (1 - 2 pages per assignment)	8-10	yes	no	10%
Major Exams (Essay)	16 (8 pages per exam)	2	yes	no	40%
Final Exam (Essay)	10	1	yes	no	20%
Extensive Note-Taking	variable	daily	no	no	0%

ECON 345: INTERNATIONAL TRADE
SPRING 2003 (MODIFIED FOR THIS WRITING INTENSIVE PROPOSAL)
SECTION 001, TR 9:45 - 11:15 AM, KEITH HALL 163

<i>Instructor:</i>	<i>Dr. Stephanie M. (Brewer) Jozefowicz</i>
<i>Email:</i>	<i>smjozef@iup.edu (Note: I tend to check email fairly infrequently.)</i>
<i>Economics Dept. Phone:</i>	<i>724-357-2640</i>
<i>My Office Location:</i>	<i>McElhaney Hall 202B</i>
<i>My Office Phone:</i>	<i>724-357-2642</i>
<i>Office Hours:</i>	<i>Monday 1:15-4:45 pm and 8:00-8:30 pm, Tuesday 11:15-11:45 am, and Thursday 11:15-11:45 am, or by appointment</i>
<i>Course Website:</i>	<i>http://www.chss.iup.edu/smbrewer/brewerteach.html</i>
<i>Course Prerequisites:</i>	<i>ECON 121 and ECON 122, or permission of the instructor</i>
<i>Course Description:</i>	<i>Study of the microeconomic segment of international specialization and exchange, including theories of international trade and their application to commercial policies; historical survey and examination of current problems of international trade; and the institutional setting of international trade.</i>
<i>Course Objectives:</i>	<i>This course aims at helping students understand: 1) The theories of trade advanced to explain why nations trade. 2) The impact of free trade on a nation's current standard of living and its future economic growth. 3) National commercial policies, why and how governments interfere with trade, and the welfare effects of managed trade. 4) Multilateral trade-liberalization agreements—the General Agreement on Tariffs and Trade and the World Trade Organization. 5) Customs union theory; the various stages of economic integration, and case studies in economic integration. This course also aims to improve student writing through a variety of writing opportunities both in and out of the classroom.</i>

Textbook and Supplemental Readings

Robert J. Carbaugh, International Economics, 7th edition: The textbook is designed to facilitate learning both inside and outside the classroom. Reading assignments from the text are included on the course outline and will be mentioned about once a week. You will know what you should be reading if you check the course outline. Lecture material will make more sense if you read the text first; the text will make more sense if you attend lecture first. Although exam questions are based on the lecture material, the text parallels the lectures. Hence, the readings in the text should be thought of as a supplement to the lecture material. You will likely want to bring the textbook with you to class.

Russell Roberts, The Choice: A Fable of Free Trade and Protectionism, ©2001: This course reader comes highly recommended by university faculty and students across the country. It will be used in conjunction with the textbook as parallel readings. The readings may be assigned as homework or as part of an in-class assignment, so you will need to bring this reader to class with you.

Supplemental Readings Course Packet, ECON 345—International Trade, Dr. Stephanie M. Jozefowicz: This course packet is available at Copies Now. Included are sets of longer readings, shorter news articles, and exams from my section of this course taught during the Spring 2000 semester. We will almost daily be using readings from this packet, so you need to bring it with you to class.

EC345 Website

I have set up a website for this class. The specific html address location is given above. (This page is linked off of the Department of Economics website, as well, if you cannot remember the address.) A variety of information will be accessible via this website. I intend to update an "Announcements" page after every class. Announcements will include the topic of the lecture material covered in class on a given day and any in-class, homework, writing, and/or extra-credit assignments collected or announced that day. Answers to homework and exams will be posted as we progress throughout the semester. Additionally, there is a link to the website operated by South-Western College Publishing for the Carbaugh textbook—you may want to investigate the supplementary resource materials provided at this website.

Assignments and Grading Policy

International Journal: You will keep a current event journal of news articles related to international economic issues. Articles may include international trade or international finance issues, and the U.S. does not have to be a part of the focus of the article. You are responsible for finding two articles per week for the Weeks 1-14 as listed below in the course outline section (this includes Spring Break). You may clip the articles from a newspaper, or print the articles from the web (English only, please). This assignment will be due Wednesday, April 26. The journal assignment will account for 5% of your final course grade. **See the separate handout assignment for more details.**

Homework and In-Class Assignments: Periodically homework and in-class assignments will be made. These assignments may be problems from the text or other materials that I prepare. In-class assignments will be due in class on the day they are assigned. This means that if you miss a given class day in which an in-class assignment was made, you will not receive credit in the grade book for that assignment. Generally, you will be asked to work in a small group as you complete in-class readings and assignments. Learning to work better in groups and learning international trade course content are both instructional goals from these in-class assignments. If you miss a class, it is YOUR responsibility to check with a classmate to determine what, if any, assignments were made. Not being able to reach me personally concerning assignments because you missed class is NOT a legitimate excuse for late homework. If you know you will be missing the class in which a homework assignment is due, you can send the assignment with a classmate, turn in the assignment to me in advance, have it placed in my box (during normal business hours), or email the assignment to me attached as a Word or WordPerfect document. Homework must be in my box or received as email by the end of the class period. Late homework and in-class assignments will be accepted, but points will be deducted for each day that an assignment is late. Homework and in-class assignments will count as 15% of your final course grade.

Writing Assignments: Periodically, writing assignments will be made. Whether you graduate and enter the work force or continue in school for an advanced degree, communicating through writing will be a necessary and often used tool skill for you. Hence, I consider using writing as another instructional goal for this course. Writing assignments should be formatted with one inch margins, use Times New Roman or Arial 11-point font, and be double-spaced. The length of assignments will be specified at the time the assignment is given. Writing assignments will be graded on the basis of organization, content, grammar, and punctuation. Please hand in two copies of all writing assignments. One of the papers will be graded and returned to you; the other paper will be retained in my files. You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement. Writing assignments will comprise 20% of your final course grade.

Attendance and Class Participation: In accordance with the IUP Undergraduate Course Attendance Policy (see the Undergraduate Catalog), you are expected to attend class. Although there is no explicit attendance standard for this class, I believe class attendance and participation are closely linked with how well students learn and perform on exams. All students will be expected to participate fully in the discussion of materials. In other words, I expect you to be present in mind as well as body when you come to class. Students routinely will be called upon to provide definitions of terms, examples for theories under consideration, and theories for examples under discussion. This is non-punitive behavior—it merely enhances the learning environment. Cardinal rule: never, never, never cut class because you are unprepared: such behavior will only compound how far behind you are.

Major exams: Two major exams given in class during the semester. Each exam will be worth 100 points and will count as 20% of your final semester grade. The *tentative* exam dates are **Major Exam #1: Tuesday, October 2** and

Major Exam #2: Thursday, November 8. There will be NO make-up exams in this class regardless of circumstances. You may choose not to take one (and only one) of the two in-class exams simply by informing me prior to the end of the exam period. (Thus, you may decide during the course of taking an exam that you do not wish to hand in the exam. If this is your choice, then DO NOT turn in the exam. If you walk out the door with the exam in your possession, I will assume your *final decision* (in the words of Regis Philbin!) is to not have the exam to count as part of your grade.) Any exam turned in to me at the end of an exam period WILL BE graded and WILL partially determine your course grade. If you elect not to take one of the two in-class exams, the comprehensive final exam will take on the additional weight of the missed exam. Exam questions will stress analysis including short essay questions, numerical problem solving, and defining microeconomic terms or concepts. Using graphs to illustrate your reasoning is a critical part of answering most short essay questions. Any written answer that cannot be deciphered due to handwriting illegibility will be counted as a wrong answer. Exams will be based on the material covered in class.

Final exam: The final exam will be given on **Tuesday, December 11** from **12:30 - 2:30 pm** in **Keith Hall 163**. The final exam will have the same format as the major exams. The final exam will be comprehensive, covering all of the course material for the whole semester. The final exam will count as 20% of your final semester grade. (This means that if you miss either the first or second major exam, then the final exam will count as 40% of your final semester grade.)

Extra-credit: Under no circumstances will I give extra-credit work to individual students. However, during the semester, I may offer optional class exercises for which extra-credit points can be earned. Offering opportunities for extra-credit is subject to my discretion.

Summary of grading :	International Journal:	5%
	Homework/In-Class Assignments:	15%
	Writing Assignments:	20%
	Major Exam #1:	20%
	Major Exam #2:	20%
	Final exam:	<u>20%</u>
		100%

Grading scale: The standards are based on the below percentage distribution. Changes to the distribution may be made at the instructor's discretion, but any changes will be strictly in your favor in terms of expanding the ranges to include lower grade percentages. A: 90 - 100%, B: 80 - 89%, C: 70 - 79%, D: 60 - 69%, F: < 60%.

Many students may find it beneficial to discuss the course material with one another. You are encouraged to share helpful suggestions for mastering the material. There is an underlying principle of learning when working together in small groups—you can determine what you know as you are forced to explain the concepts and problem solutions.

I follow the policy outlined in the IUP Academic Integrity Policy and Procedures with regard to cheating and academic dishonesty. I will give an incomplete only for the specific reasons outlined in the IUP Incomplete policy, so please don't ask for exceptions to these rules. Both policies can be found in the Undergraduate Catalog.

I will be available for questions or comments about class during my office hours. I will arrange to see you by appointment if you are not able to come see me during the designated office hours. Please talk with me after class to arrange any appointments.

Course Outline	
Chapter 1: The International Economy	Chapter 6: Nontariff Trade Barriers
Chapter 2: Foundations of Modern Trade Theory	Chapter 7: Trade Regulations and Industrial Policies
Chapter 3: International Equilibrium	Chapter 8: Trade Policies for the Developing Nations
Chapter 4: Trade Model Extensions and Applications	Chapter 9: Regional Trading Arrangements
Chapter 5: Tariffs	Chapter 10: International Factor Movements and Multinational Enterprise

Summary of Important Dates for the Semester

(Announcements about upcoming homework, writing assignments, and extra-credit opportunities will be made in class, as well as confirmation of/changes in the tentative exam dates.)

Week 1: (8/28, 8/30)

Sunday, September 2: Drop/Add ends on Banner.

Week 2: (9/4, 9/6)

Week 3: (9/11, 9/13)

Week 4: (9/18, 9/20)

Week 5: (9/25, 9/27)

Week 6: (10/2, 10/4)

MAJOR EXAM #1: TUESDAY, OCTOBER 2

Week 7: (10/9, 10/11)

Week 8: (10/16, 10/18)

Week 9: (10/23, 10/24)

Week 10: (10/30, 11/1)

Wednesday, October 31: Last Day for Automatic Individual Course Withdrawal

Week 11: (11/6, 11/8)

MAJOR EXAM #2: THURSDAY, NOVEMBER 8

Week 12: (11/13, 11/15)

Week 13: (11/20, 11/22)

Note: Classes are cancelled university wide November 19-23 (the week of Thanksgiving)

Week 14: (11/27, 11/29)

Thursday, November 29: The International Journal and Journal Paper are due by the end of class.

Week 15: (12/4, 12/6)

FINAL EXAM: TUESDAY, DECEMBER 11, 12:30 - 2:30 PM; KEITH HALL 163

Sunday, December 16 : Fall 2001 Commencement

DR. JOZEFOWICZ'S TOP TEN LIST FOR A SUCCESSFUL SEMESTER:

1. Attend class regularly.
2. Be on time for your own benefit and out of consideration for others—the disruptions you cause by coming in late affect everyone.
3. If you know you will have to leave before class ends, then sit by the door to minimize disruptions and interruptions for your classmates that will occur if you don't sit near the door and have to stomp over the top of them and/or parade across the front of the room as you exit. (Furthermore, I would appreciate if you would kindly mention your need to leave to me before class starts.)
4. Having to get up and leave in the middle of class in the case of an emergency is one thing, but DO NOT make it a habit to wander into and out of lecture—this is rude and disruptive behavior causing a NEGATIVE impact on your fellow classmates and instructor.
5. KEEP UP--the materials build as the semester progresses--very few students can succeed by just studying the night before the exam.
6. Take excellent class notes—write out explanations and examples of the concepts covered rather than just copying down the definitions or graphs—this will help you immensely as you work on assignments and as you study for quizzes and exams.
7. Look over your class notes and text readings *before* (yes, I said before!) coming to class—for each section of notes, go back and think how you can reorganize them so they make sense to you (students have found that making flow diagrams can help connect the material in a personally meaningful way).
8. At a minimum, work the assigned problems.
9. Make use of office hours—clear up questions as they arise and are fresh on your mind... generally students find I am friendly and helpful in office hours, and the additional one-on-one attention does wonders for truly comprehending the material.
10. Just as you expect to be treated with respect, remember to treat your fellow students and me with the same high level of respect.

Writing Assignment #1: Adam Smith

You have received a portion of Adam Smith's *An Inquiry into the Nature and Causes of the Wealth of Nations* (see the second reading in the first section of the Supplemental Readings packet).

Assignment: Write a 2-3 page paper (see the syllabus for format expectations) in which you summarize Adam Smith's arguments and include 21st century illustrations of his main points. This assignment is worth 15 points. Be sure to hand in two copies of your paper. Five points per day will be deducted from your paper's grade for each day it is late. This assignment is due in two weeks: _____ . You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement.

In-Class Web and Writing Assignment (Writing Assignment #2)

For the international trade related website that you have assigned, spend some time surfing this site with your partner. (Note: 10 minutes won't cut it--you will probably need 30 minutes - 1 hour to adequately explore the information that is presented on the site.) You may wish to follow some of the links off of the site. Try to get a sense of the purpose of the website--Is it purely informational? Does it provide statistical/data sources? Is there an underlying political agenda?

Make notes: What interests you most about the site? What do you think are the most important pages on the site? What do think the webmaster would say is the chief purpose of the site? What information is available at this site? Are there links--and where do they go? Would you recommend that others interested in international trade topics investigate this site? What hints would you give others to get the most from the site with minimal time to explore it?

On your own, in a 2-3 page paper (see the syllabus for format expectations), summarize your discoveries about the site and site sponsor/organization. This assignment is worth 15 points. Be sure to hand in two copies of your paper. Five points per day will be deducted from your paper's grade for each day it is late. This assignment is due in two weeks: _____ . You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement.

Writing Assignment #3: European Monetary Union

Using pp. 281-282 (the box) in the text as a guide, synthesize the arguments for and against joining the EMU by Britain, Sweden and Denmark based on the news articles contained in the Supplemental Readings packet on pp. 74-82. Pay attention to the dates of the articles. How have positions changed over time? Why? Who is in favor of joining, and who is opposing joining in the respective countries?

Write a synthesis, citing references where appropriate, in a 1-2 page paper (see the syllabus for format expectations). Be sure to hand in two copies of your paper. This assignment is worth 10 points. Five points per day will be deducted from your paper's grade for each day it is late. This assignment is due in two weeks: _____ . You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement.

Writing Assignment #4: U.S. Court of International Trade (USCIT)

Go to <http://www.uscit.gov/>. Follow the link "Slip Opinions." Note that opinions are designated by a four-digit numbering system in which the first two numbers are the last two digits for a given year (99, 00, 01).

Choose one shorter case from the following to read (these cases are 5-10 pages long):

- | | |
|---|--|
| 99-121 U.S. vs. Hitachi America, Ltd. | 00-173 Aker Gulf Marine vs. United States |
| 00-43 Coalition for Fair Atlantic Salmon Trade vs. U.S. | 01-9 Toy Biz, Inc. vs. U.S. |
| 00-133 Xerox Corp. vs. U.S. | 01-61 U.S. vs. W. Weber Co. |
| | 01-74 Neenah Foundry Co. vs. United States |

Also, choose one medium-length case from the following to read (these cases are 12-19 pages long):

- | | |
|---|--|
| 99-50 Borden, Inc. vs. U.S. | 00-151 Laclede Steel Co. vs. U.S. |
| 99-95 BMW Mfg. Corp. vs. U.S. | 00-158 Save Domestic Oil, Inc. vs. United States |
| 00-86 Minnetonka Brands, Inc. vs. U.S. | 00-171 Hartog Foods Int'l, Inc. vs. United States |
| 00-99 U.S. Steel Group vs. U.S. | 01-40 Sony Electronics Inc. vs. U.S. |
| 00-124 Daimlerchrysler Corp. vs. U.S. | 01-60 Steel Auth. of India, Ltd. vs. United States |
| 00-129 Defenders of Wildlife vs. Dalton | 01-71 Former Employees of Carhartt, Inc. vs. Chao |

In a 2-3 page paper (see the syllabus for format expectations), briefly summarize the two lawsuits filed with the USCIT that you chose. Compare and contrast the two cases you read. Consider the following questions:

- What is the central intent of each lawsuit?
- What issues are involved in each case?
- What legal precedent(s) are involved in each case?
- What aspect of each case causes it to fall under the jurisdiction of the USCIT?
- What about the cases do you find most interesting?
- What about the cases makes sense based on the material we have covered in class?
- What about the cases doesn't make sense to you? Is your lack of understanding related to pure international trade issues or the legal language?

This assignment is worth 15 points. Be sure to hand in two copies of your paper. Five points per day will be deducted from your paper's grade for each day it is late. This assignment is due in two weeks:

_____. You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement.

Journal Paper Assignment

Choose a topic from your international trade journal for which you have gathered at least three articles. Write a 3-4 page paper (see the syllabus for format expectations) summarizing the articles, explaining how these articles are related to the topic classification chosen, and explaining any relationships/trends in time you see among the articles.

The paper should be included in a section of the folder with the journal articles and summaries described in the journal assignment handout. As with all writing assignments, please print two copies of the paper—one for me to grade and return to you and one for me to retain in my files.

The journal paper will count with other writing assignments in determining your final course grade. The journal paper is worth 25 points. Be sure to hand in two copies of your paper. Ten points per day will be deducted from your paper's grade for each day it is late. This assignment is due _____. You may hand in a rough draft of any writing assignment one week before the due date for instructor feedback regarding the quality of your work and suggestions for improvement.

Final Exam

Answer the following six True/False questions by writing "True" or "False" in the blank **AND BY EXPLAINING YOUR REASONING** (Note: even if you think the answer is true, you **STILL** must **explain your reasoning in order to receive credit.**) (4 points each—1 point for answering True/False correctly, 3 points for the explanation)

_____ 1. According to the most-favored-nation principle, if Germany extends MFN treatment to China and then grants a low tariff on imports of shirts from Malaysia, then Germany is obligated to provide the identical low-tariff on imports of shirts from China.

_____ 2. Congress appoints judges to the U.S. Court for International Trade.

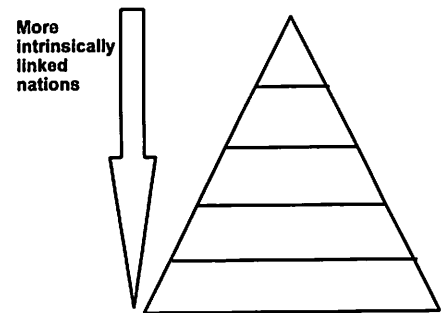
_____ 3. A strengthening (an appreciating) dollar relative to other foreign currencies is advantageous for U.S. exporting firms.

_____ 4. Among many other current jobs assigned to the Federal Reserve System, Fed directors work to counteract upward and downward pressure on the U.S. exchange rate with other nations since the U.S. operates under a fixed exchange rate regime.

_____ 5. David Ricardo first showed that gains from trade are possible based on absolute advantage.

_____ 6. If a television set costs \$280 in the year 2000 while a Stellar television cost \$250 in 1950, then the average American worker is clearly worse off in the year 2000.

7. In the pyramid to the right, place the five types of regional trade agreements in their appropriate ordering from least intrinsically linked nations at the top to most intrinsically linked nations at the bottom. In the space below, explain the characteristics of each type of regional trade agreements. (10 points)



8. Consider the following excerpt from one of the news articles we read in class regarding the African Growth and Opportunity Act and the U.S.-Caribbean Basin Trade Partnership Act.:

**Copyright 2000 P.G. Publishing Co.; *Pittsburgh Post-Gazette*
May 12, 2000, Friday, SOONER EDITION
HEADLINE: TRADE AS AID; IT'S TIME TO OPEN U.S. MARKETS TO AFRICAN NATIONS**

Some of the poorest nations in the world are about to gain preferential trade treatment for a range of exports to the United States.

These reductions and in many cases elimination of tariffs and quotas on products imported from sub-Saharan Africa will not result in a sudden transformation of the economic fortunes of the nations or their impoverished citizens. But lowering the trade barriers will encourage development, which, if properly managed, will create jobs and wealth and open opportunities for those who had no prospects.

a) For the sub-Saharan Africa countries who choose to take advantage of trade with the United States, that type of economic growth strategy can we conclude that they are pursuing? (3 points)

b) Why do some Americans support this specific legislation? (3 points)

c) Why do some Americans oppose this specific legislation? (3 points)

9. In an article on strategic trade policy that we read in class, leading international trade economists such as Paul Krugman, Rudiger Dornbusch, and Yung Chul Park asserted that “America needs to be aggressive in lowering foreign barriers” to trade. We have had much discussion in class, readings from Carbaugh and Roberts, and newspaper articles that have offered views both in support of free trade and in criticism of free trade.

Concisely summarize the basic arguments FOR and AGAINST free trade policy. Include in your discussion references to at least two of the readings this semester. Also include at least one graph with indifference (utility) curve analysis (FULLY LABELED!) depicting gains from trade as part of describing the arguments for free trade. (12 points)

10. Suppose the graph to the right represents domestic supply of Good Z and domestic demand for Good Z for Country Lambda. Assume that Country Lambda is a small nation relative to the rest of the world. Assume the country can purchase as many units as it wants at the world market price of \$800. (Assume for the moment that Lambda has not imposed any trade restrictions.)

e. Refer to specific lettered regions in the graph and explain how consumers are directly harmed by the tariff policy. (6 points)

f. Refer to specific lettered regions in the graph and explain how the society as a whole in Lambda is harmed by the tariff policy. (6 points)

11. a. Suppose Boeing McDonnell Douglas and Airbus are deciding whether to enter a new niche in the aircraft market. The payoffs to each firm are as indicated in the table below. Assume that the United States provides no subsidy to Boeing McDonnell Douglas.

		Airbus	
		Don't Enter	Enter
Boeing McDonnell Douglas	Don't Enter	0, 0	0, 1500
	Enter	1500, 0	-500, -500

The minimum subsidy to Airbus that would allow Airbus to capture the entire new market niche would be \$ _____. (2 points)

Explain. (4 points)

b. What was the purpose of the in-class oligopoly game we did? In other words, what theoretical ideas were we demonstrating in the simplified decision-making world of the game? (3 points)

12. Assume the graph to the right represents domestic supply of Good X and domestic demand for Good X for Country Sigma. Assume that Country Sigma is a small nation relative to the rest of the world.

Suppose Country Sigma can purchase as many units as it wants at the world market price of \$800. (Assume for the moment that Sigma has not imposed any trade restrictions.)

c. Compare and contrast the effects of implementing a tariff versus implementing a quota. Explain the ways in which a tariff and a quota have the same effect on domestic consumers. Explain the ways in which a tariff and a quota have different effects for the domestic economy as a whole. (8 points)