

ECON 1100

ECONOMICS I (H)

Economics 1(H) consists of two components: (A) ECON1102 Macroeconomics 1, and (B) a series of six honours lectures (two hours per week, for the first six weeks of Semester 2). It is designed for the better performing students who want to extend their exposure to economics beyond that offered in the standard first year courses in microeconomics and macroeconomics. Component (B) of the course will give students a head-start on Microeconomics 2 and 3, as well as the opportunity to apply microeconomic tools to the analysis of selected issues in international trade theory and policies. Component (A) will be taught by Dr. Cameron Gordon, and component (B) will be taught by Professor Ngo Van Long.

The lectures for component (B) will use and extend the tools you have learned in Microeconomics 1. The topics we will examine include the gains from international trade, the costs and possible benefits of departing from free trade, the instruments of trade policies (such as tariff, quota, and export subsidies), the social costs of rent-seeking, the political economy of trade policies, and selected trade policy issues in developed countries and in developing countries.

Professor Long's class time: This is listed in your time table as ECON1101_S2_UGSeminaA/01. The time slot is 15:00 to 17:00, every Thursday, from 26 July 2018 to 30 August 2018. Location: CBE Building, LT3.

Mode of Delivery	On campus, in person. Thursday from 15:00 to 17:00. CBE Building, LT3. Start date: 26 July 2018.
Prerequisites	To enrol in this course, you must have completed ECON 1101 Microeconomics 1.
Incompatible Courses	To enrol in this course, you must have completed ECON 1101 Microeconomics 1.
Co-taught Courses	Not Applicable
Course Convener:	Professor Ngo Van Long
Phone:	+61 2 6125 4605
Email:	ngo.long@mcgill.ca OR NgoVan.Long1@anu.edu.au
Office hours for student consultation:	TBD

Research Interests	International Trade; Environmental and Resource Economics; Public Economics.
Relevant administrator if any (optional)	Nicole Millar
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COURSE OVERVIEW

Learning Outcomes

In addition to the learning outcomes for the pass component of this course, honours students should have the knowledge and skills to:

- Think for themselves like economists, or at least understand how economists think.
- Recognise the economic issues in a problem and apply the appropriate tools to analyse it.
- Understand the economic tools taught in class and be able to apply them to analyse real world problems and policy issues.

Assessment Summary

All the assessment requirements for ECON1102 Macroeconomics 1 plus a final essay (and three optional in-class tests) on the honours materials. Details to be determined in class, in consultation with students and in accordance with ANU policy.

A student must pass both the Pass component and the Honours component to receive the Honours grade. If the student does not meet these requirements, arrangements will be made to transfer to the ECON1102 course.

The mark awarded for Economics 1(H) is as per the table below.

The ANU uses Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University's approach to managing Academic Integrity. While the use of Turnitin is not mandatory, the ANU highly recommends Turnitin is used by both teaching staff and students. For additional information regarding Turnitin please visit the ANU Online website.

Assessment Task	Value	Due Date	Date for Return of Assessment	Linked Learning Outcomes (optional)
1. ECON1102 assessment	75% of final mark	As per ECON1102 course outline		<i>All outcomes listed above</i>
2. ECON1100 An essay and three optional in-class tests	25% of final mark. (If you take the optional in-class tests, they count 5% and the essay counts 20%)	Essay: 17 September	TBA	<i>All outcomes listed above</i>

The Lectures and Tests for the Honours component

This class will use and extend the tools you have learned in Microeconomics 1 (ECON 1101) to analyse theoretical and policy issues relating to international trade. I will make my detailed lecture notes available to all students. Students are encouraged to have a quick read of these notes in advance, so that they can have a better understanding of the materials presented in class, and to take the three optional in-class tests. These are multiple-choice tests, each lasting 15 minutes.

First in-class test: Thursday 16 August

Second in-class: Thursday 23 August

Third in-class test: Thursday 30 August.

Feedback

Staff Feedback

Students will be given feedback through participation in the lectures.

Student Feedback

ANU is committed to the demonstration of educational excellence and regularly seeks feedback from students. One of the key formal ways students have to provide feedback is through Student Experience of Learning Support (SELS) surveys. The feedback given in these surveys is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching, and opportunities for improvement.

For more information on student surveys at ANU and reports on the feedback provided on ANU courses, go to

<http://unistats.anu.edu.au/surveys/selt/students/> and
<http://unistats.anu.edu.au/surveys/selt/results/learning/>

Policies

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University's academic standards, and implement them.

You can find the University's education policies and an explanatory glossary at:

<http://policies.anu.edu.au/>

Students are expected to have read the [Academic Misconduct Rule](#) before the commencement of their course.

Other key policies include:

- Student Assessment (Coursework)
- Student Surveys and Evaluations

Required Resources

Commonwealth supported students and domestic full-fee paying students generally must be able to complete the requirements of their program of study without the imposition of fees that are additional to the student contribution amount or tuition fees.

Provided that its payment is in accordance with the *Act*, a fee is of a kind that is into any one or more of the following categories:

- (a) It is a charge for a good or service that is not essential to the course of study.
- (b) It is a charge for an alternative form, or alternative forms, of access to a good or service that is an essential component of the course of study but is otherwise made readily available at no additional fee by the higher education provider.
- (c) It is a charge for an essential good or service that the student has the choice of acquiring from a supplier other than the higher education provider and is for:

- (i) equipment or items which become the physical property of the student and are not consumed during the course of study; or
 - (ii) food, transport and accommodation costs associated with the provision of field trips that form part of the course of study.
- (d) It is a fine or a penalty provided it is imposed principally as a disincentive and not in order to raise revenue or cover administrative costs.

Additional course costs

There should be minimal additional course costs as students will only be required to read and access free and publicly available materials.

Examination material or equipment

No additional materials will be permitted in an examination room. If not known at the time of completing the outline, please insert a URL where students will be able to find the relevant information.

Recommended Resources

The full list and links to all Nobel acceptance addresses in Economics can all be found at: http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/index.html

COURSE SCHEDULE FOR THE HONOURS COMPONENT (COMPONENT B)

Week/ Session	Summary of Activities
1	The Theory of Comparative Advantage and the Gains from Trade. The Instruments of Trade Policies (tariff, quota, export subsidies).
2	Welfare gains and losses associated with tariffs, quotas, and export subsidies.
3	The welfare costs of rent-seeking: tariffs, monopoly, and theft
4	The political economy of trade policies: Theory and empirical evidence
5	Trade policy issues in advanced economies
6	Trade policy issues in developing economies

Readings	For week 1: Lecture notes
Readings	For week 2: Lecture notes
Readings	<p>For week 3: Lecture notes, and</p> <ul style="list-style-type: none"> • Gordon Tullock (1967) The Welfare Costs of Tariffs, Monopolies, and Theft. <i>Western Economic Journal</i>, Volume 5, pp. 224–232. (Available on Wattle) • A. O. Krueger (1974) The Political Economy of the Rent-Seeking Society. <i>American Economic Review</i>, Volume 64, pp. 291–303 • Ngo Van Long (2013) The theory of contests: a unified model and review of the literature. <i>European Journal of Political Economy</i>, Volume 131, pp. 161-181 (Read only the introduction and the conclusion)
Readings	<p>For week 4: Lecture notes</p> <ul style="list-style-type: none"> • P. Dutt and D. Mitra (2002) Endogenous Trade Policy through Majority Voting: An Empirical Investigation. <i>Journal of International Economics</i>, Volume 58, pp.107-134. (Read only the verbal part.) • Gene Grossman and Elhanan Helpman (1994) Protection for Sale, <i>American Economic Review</i>, Volume 84, pp. 833-850. (Read only the verbal part)
Readings	<p>For week 5: Lecture notes, and</p> <ul style="list-style-type: none"> • Venkatesh Bala and Ngo Van Long (2005) International Trade and Cultural Diversity with Preference Selection. <i>European Journal of Political Economy</i>, Volume 21, Number 1, pp. 143-162. (Read only the verbal part) • Andre Mas-Colell (1999) Should Cultural Goods be Treated Differently? <i>Journal of Cultural Economics</i>, Volume 23 (1), pp. 87-93. • George Akerlof and Rachel Kranton (2005)

	<p>Identity and the Economics of Organizations. <i>Journal of Economic Perspectives</i>, Vol. 19. pp. 9-32</p> <ul style="list-style-type: none"> • Marc Melitz and Daniel Treffler (2012) <p>Gains from Trade when Firms Matter. <i>Journal of Economic Perspectives</i>, Volume 26, pp. 91-118.</p>
Reading	<p>For week 6: Lecture notes, and</p> <ul style="list-style-type: none"> • Dani Rodrik (1995) <p>Getting Interventions Right: How South Korea and Taiwan Grew Rich. <i>Economic Policy</i>, Volume 10, Issue 20, April 1995, pp. 53-97.</p>
Essay	For the list of essay topics and instructions on essay requirements, see below.

ASSESSMENT REQUIREMENTS

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University's approach to managing Academic Integrity. For additional information regarding Turnitin please visit the [ANU Online](#) website.

Students may choose not to submit assessment items through Turnitin. In this instance you will be required to submit, alongside the assessment item itself, copies of all references included in the assessment item.

As a further academic integrity control, students may be selected for a 15 minute individual oral examination of their written assessment submissions.

Any student identified, either during the current semester or in retrospect, as having used ghost writing services will be investigated under the University's Academic Misconduct Rule.

Assessment Tasks

Participation

In an Honours class, participation in discussions during lectures is critical. There is no formal participation mark but active engagement with the material with both the lecturer and fellow classmates is important to make the class a positive experience and the lecturer will actively encourage such participation. In particular students should have at least looked over the material for the day -- preferably having read it in full -- to be able to be meaningfully involved in class give-and-take.

A very important note about the readings: this course will focus both on ideas and technical tools of analysis. There is a lot of graphs and some simple algebra, and you need to

understand and use them. Economics is a quantitative science, and in policy recommendations, one must be able to quantify gains and losses to various groups of consumers and producers. It is equally important to grasp the major elements of the theories and arguments being presented, and to assess their significance to the field of economics. Apart from the lecture notes, students are encouraged to read the additional recommended materials. However, concerning journal articles, you can skip materials that are too mathematical.

Assessment Task 1:

A major part (75%) of assessment for ECONOMICS I (Honours) is based on the requirements of Econ 1102. Please see the outline for that class for more information.

Assessment Task 2:

The remaining 25% of assessment for ECONOMICS I (Honours) consists of writing an essay and doing three (optional) in-class tests. These tests count 5% while the essay counts 20%. However, if your essay score is higher than your test scores, then only your essay score will be counted. For example, if your essay score is 80 out of 100, and your test scores are 78 out of 100, then your total score for Assessment Task 2 is 25% of 80, that is, 20.

Essay topics: choose one of the following topics.

Topic 1: Evaluate the arguments that have been advanced for the protection of a cultural industry.

Topic 2: Under what conditions it might be justified to give tariff protection to an infant industry?

Topic 3: Compare the potential social costs of rent-seeking under the tariff regime and the quota regime. What are the difficulties in estimating these costs?

Topic 4: Compare and contrast the view that governments conduct trade policies to maximize social welfare and the alternative view that governments respond to pressure groups. In your opinion, which view has more explanatory power?

Assessment Rubrics for the Essay Part of Assessment Task 2:

Word limit: 2000 words.

Due date: Monday 17 September 2018.

Examination(s)

Examinations are part of the assessment for ECON 1102. Please see the class outline for more details.

Assignment submission

Online Submission: Assignments are submitted using Turnitin in the course Wattle site. You will be required to electronically sign a declaration as part of the submission of your assignment. Please keep a copy of the assignment for your records.

Extensions and penalties

Extensions and late submission of assessment pieces are covered by the Student Assessment (Coursework) Policy and Procedure.

The Course Convener may grant extensions for assessment pieces that are not examinations or take-home examinations. If you need an extension, you must request it in writing on or before the due date. If you have documented and appropriate medical evidence that demonstrates you were not able to request an extension on or before the due date, you may be able to request it after the due date.

Returning assignments

Student assignments will be returned electronically via Wattle.

Resubmission of assignments

Resubmission of assignments is not permitted.

Referencing requirements

Any referencing convention, e.g. Harvard, APA etc, is allowed. But students must follow the convention they choose consistently and correctly.

Scaling

Your final mark for the course will be based on the **raw** marks allocated for each of your assessment items. However, your final mark may not be the same number as produced by that formula, as marks may be **scaled**. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed the scaled mark of that student), and may be either up or down.

Privacy Notice

The ANU has made a number of third party, online, databases available for students to use. Use of each online database is conditional on student end users first agreeing to the database licensor's terms of service and/or privacy policy. Students should read these carefully.

In some cases student end users will be required to register an account with the database licensor and submit personal information, including their: first name; last name; ANU email address; and other information.

In cases where student end users are asked to submit 'content' to a database, such as an assignment or short answers, the database licensor may only use the student's 'content' in accordance with the terms of service – including any (copyright) licence the student grants to the database licensor.

Any personal information or content a student submits may be stored by the licensor, potentially offshore, and will be used to process the database service in accordance with the licensors terms of service and/or privacy policy.

If any student chooses not to agree to the database licensor's terms of service or privacy policy, the student will not be able to access and use the database. In these circumstances students should contact their lecturer to enquire about alternative arrangements that are available.

Tutorial Seminar Registration

There are no tutorials for Component (B) of the course.

Tutorial signup for Component (A) of the course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle or during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to Wattle, and go to the course site
2. Click on the link "Tutorial enrolment"
3. On the right of the screen, click on the tab "Become Member of....." for the tutorial class you wish to enter
4. Confirm your choice

If you need to change your enrolment, you will be able to do so by clicking on the tab "Leave group...." and then re-enrol in another group. You will not be able to enrol in groups that have reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

SUPPORT FOR STUDENTS

The University offers a number of support services for students. Information on these is available online from <http://students.anu.edu.au/studentlife/>