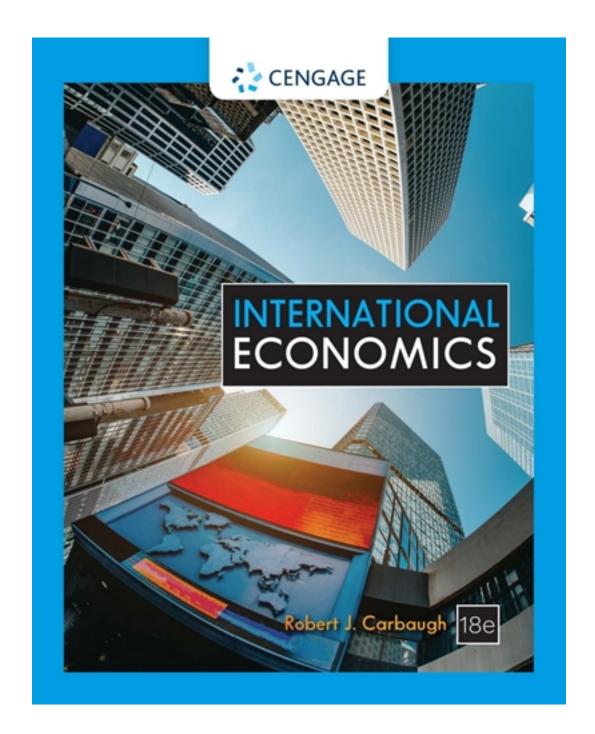
Solutions for International Economics 18th Edition by Carbaugh

CLICK HERE TO ACCESS COMPLETE Solutions



Solutions



Instructor Manual

Carbaugh, International Economics 18e, 9780357518915; Chapter 2: Foundations of Modern Trade Theory: Comparative Advantage

Table of Contents

Purpose and Perspective of the Chapter	2
Cengage Supplements	2
Chapter Objectives	2
Complete List of Chapter Activities and Assessments	
Key Terms	3
What's New in This Chapter	
Chapter Outline	6
Additional Discussion Questions	12
Additional Activities and Assignments	13
Additional Resources	14
Internet Resources	14
Primary Sources	14
Appendix	15
Generic Rubrics	15
Standard Writing Rubric	15
Standard Discussion Rubric	16



Purpose and Perspective of the Chapter

The purpose of this chapter is to introduce students to the foundations of modern trade theory. First, the historical development of modern trade theory is examined by introducing the ideas of the mercantilists. Next, the principle of comparative advantage and trading under conditions of constant opportunity cost and increasing opportunity cost are discussed. Attention then shifts to the determination of the equilibrium terms of trade; the role of demand in the trading model; the impact of trade on jobs, factor mobility; and exit barriers. The chapter concludes with a recounting of the number of firms who have reshored some of their production facilities.

Cengage Supplements

The following product-level supplements provide additional information that may help you in preparing your course. They are available in the Instructor Resource Center.

- PowerPoint slides. This edition also includes updated PowerPoint slides. These slides can be easily downloaded from the instructor's companion website.
- Test Bank. The Test Bank provides items for instructors' reference and use. It contains a variety of question formats in varying levels of difficulty. Cognero[®] software makes test preparation, scoring, and grading easy. Featuring automatic grading, Cognero[®] allows you to create, deliver, and customize tests and study guides (both print and online) in minutes.

TBEXAM.COM

Chapter Objectives

The following objectives are addressed in this chapter:

- 02.01 Identify the trading ideas of the mercantilists Adam Smith and David Ricardo.
- 02.02 Compare and contrast the principle of absolute advantage and the principle of comparative advantage.
- 02.03 Identify the effects of comparative advantage under conditions of constant opportunity costs and increasing opportunity costs.
- 02.04 Explain how exit barriers modify the conclusions of the principle of comparative advantage.
- 02.05 Summarize the empirical evidence regarding comparative advantage.
- 02.06 Explain how changing supply and demand conditions influence the equilibrium terms of trade.
- 02.07 Identify the factors leading to the decision by some U.S. firms to reshore some production facilities.



Complete List of Chapter Activities and Assessments

The following table organizes activities and assessments by objective, so that you can see how this content relates to objectives and make decisions about which content you would like to emphasize in your class based on your objectives. For additional guidance, refer to the Teaching Online Guide.

Chapter Objective	Activity/Assessment	Source (i.e., PPT Slide, Workbook)	Duration
2.1	Discussion Activity	PPT Slide 15	15 min
2.3	Discussion Activity	PPT Slide 45	15 min
2.3	Discussion Activity	PPT Slide 48	15 min
2.7	Case Study Activity	PPT Slide 68	15 min
2.1-2.2, 2.6	Self-Assessment Activity	PPT Slide 69	30 min
2.1-2.7	Chapter 2 Study	Textbook	1 hour
	Questions		

[return to top]

Key Terms

Adjustment costs: Disruption to firms and workers caused by trade liberalization. While many benefit from trade, import surges may undermine the economic viability of firms, workers, and communities.

TBEXAM . COM

Autarky: A case of national self-sufficiency or absence of trade.

Basis for trade: Why nations export and import certain products.

Commodity terms of trade: Measures the relation between the prices a nation gets for its exports and the prices it pays for its imports.

Complete specialization: A situation in which a country produces only one good.

Constant opportunity costs: A constant rate of sacrifice of one good for another as a nation slides along its production possibilities schedule.

Consumption gains: Post-trade consumption points outside a nation's production possibilities schedule.

Digital trade: The use of digital technologies (e-commerce) that facilitate business transactions.

Dynamic gains from international trade: The effect of trade on the country's growth rate and thus on the volume of additional resources made available to, or utilized by, the trading country.

Exit barriers: Hurdles that make it difficult to move out of an industry.



Factor mobility: The ability of factors of production (land, labor, capital, and entrepreneurship) to move from one industry to another industry.

Free trade: A system of open markets between countries in which nations concentrate their production on goods they can make most cheaply, with all the consequent benefits of the division of labor.

Gains from international trade: Gains trading partners simultaneously enjoy due to specialization and the division of labor.

Global supply chains: The international network created among different companies producing, handling, and/or distributing a specific product.

Importance of being unimportant: When one trading nation is significantly larger than the other, the larger nation attains fewer gains from trade while the smaller nation attains most of the gains from trade.

Increasing opportunity costs: When each additional unit of one good produced requires the sacrifice of increasing amounts of the other good.

Labor theory of value: The cost or price of a good depends exclusively upon the amount of labor required to produce it.

Marginal rate of transformation (MRT): The slope of the production possibilities schedule that shows the amount of one product a nation must sacrifice to get one additional unit of the other product.

Mercantilists: An advocate or practitioner of mercantilism; a national economic system in which a nation could regulate its domestic and international affairs so as to promote its own interests through a strong foreign trade sector.

No-trade boundary: The division point where trade is beneficial and trade is not beneficial.

Outer limits for the equilibrium terms of trade: Defined by the domestic cost ratios of trading nations.

Outsourcing: When certain aspects of a product's manufacture are performed in more than one country.

Partial specialization: When a country specializes only partially in the production of the good in which it has a comparative advantage.

Price-specie-flow doctrine: David Hume's theory that a favorable trade balance was possible only in the short term and that, over time, it would automatically be eliminated via changes in product prices.



Principle of absolute advantage: In a two-nation, two-product world, international specialization and trade will be beneficial when one nation has an absolute cost advantage in one good and the other nation has an absolute cost advantage in the other good.

Principle of comparative advantage: Ability to produce a good or service at a lower opportunity cost than others can produce it.

Production gains: Increases in production resulting from specialization in the product of comparative advantage.

Production possibilities frontier: A schedule that shows various alternative combinations of two goods that a nation can produce when all of its factor inputs are used in their most efficient manner.

Region of mutually beneficial trade: The area that is bounded by the cost ratios of the two trading countries.

Terms of trade: The tariff revenue extracted from foreign producers in the form of a lower supply price.

Theory of reciprocal demand: Relative demand conditions determine what the actual terms of trade will be within the outer limits of the terms of trade.

Trade triangle: An area in a production possibilities diagram showing a country's exports, imports, and equilibrium terms of $trade_{BEXAM.COM}$

Trading possibilities line: A line in a production possibilities diagram representing the equilibrium terms-of-trade ratio.

[return to top]

What's New in This Chapter

The following elements are improvements in this chapter from the previous edition:

- This chapter highlights the following current theme that is at the forefront of international economics: Globalization of Economic Activity, Free Trade and Protectionism
 - Industrial robots and job losers
 - o Factor mobility, exit barriers, and trade
 - Dynamic gains from digital trade
 - Wooster, Ohio, bears brunt of globalization
 - Comparative advantage and global supply chains
 - Does the principle of comparative advantage apply in the face of job outsourcing?

[return to top]



Chapter Outline

The following outline organizes activities (including any existing discussion questions in PowerPoints or other supplements) and assessments by chapter (and therefore by topic), so that you can see how the content relates to the topics covered in the text.

- I. 2-1 Historical Development of Modern Trade Theory (2.1, PPT Slides 4-15)
 - a. 2-1a The Mercantilists
 - b. 2-1b Why Nations Trade: Absolute Advantage
 - c. Would Adam Smith Have Approved of A "Retaliatory" Trade Policy?
 - d. **Discussion Activity, PPT Slide 15, 10 minutes total:** *Adam Smith and David Ricardo*
 - What do you think? Compare the ideas of Adam Smith and David Ricardo regarding free trade and protectionism.
 - e. 2-1c Why Nations Trade: Comparative Advantage
- II. 2-2 Production Possibilities Frontiers (2.2, PPT Slides 16-19)
- III. 2-3 Trading under Constant-Cost Conditions (2.3, PPT Slides 20-33)
 - a. 2-3a Basis for Trade and Direction of Trade
 - b. 2-3b Production Gains from Specialization
 - c. 2-3c Consumption Gains from Trade
 - d. 2-3d Distributing the Gains from Trade!
 - e. 2-3e Equilibrium Terms of Trade
 - f. 2-3f Terms of Trade Estimates
 - g. Dynamic Gains from Trade: Long-Run Economic Growth
- IV. 2-4 Changing Comparative Advantage (2.3, PPT Slides 34-36)
- V. 2-5 Trading under Increasing-Cost Conditions (2.3, PPT Slides 37-45)
 - a. 2-5a Increasing-Cost Trading Case
 - b. 2-5b Partial Specialization
 - c. **Discussion Activity, PPT Slide 45, 10 minutes total:** Babe Ruth and the Principle of Comparative Advantage
 - What do you think? How did Babe Ruth's baseball career relate to the principle of comparative advantage?
- VI. 2-6 The Impact of Trade on Jobs (2.3, PPT Slides 46-48)
 - a. **Discussion Activity, PPT Slide 48, 10 minutes total:** Wooster, Ohio, Bears the Brunt of Globalization
 - How were the middle-class workers of Wooster shaken by the loss of their major employer in a globalized economy?



- VII. 2-7 Comparative Advantage Extended to Many Products and Countries (2.3, PPT Slides 49-53)
 - a. 2-7a More Than Two Products
 - b. 2-7b More Than Two Countries
- VIII. 2-8 Factor Mobility, Exit Barriers, and Trade (2.4, PPT Slides 54-56)
 - IX. 2-9 Empirical Evidence on Comparative Advantage (2.5, PPT Slides 49-53)
 - a. Can American Workers Compete with Low-Wage Workers Abroad?
 - X. 2-10 The Case for Free Trade (2.6, PPT Slides 61-64)
 - a. 2-10a Adjustment Costs of Trade
- XI. 2-11 Comparative Advantage and Global Supply Chains: Outsourcing (2.7, PPT Slides 65-68)
 - a. The iPhone Economy and Global Supply Chains
 - b. Outsourcing Backfires for Boeing 787 Dreamliner
 - c. Case Study Activity, PPT Slide 68, 10 minutes total: *Apple Inc. and Boeing Inc.*
 - Apple Inc. and Boeing Inc. are examples of companies that have implemented global supply chains. What issues did they face?
- XII. Self-Assessment Activity, PPT Slide 69, 30 minutes total:
 - Challenge the mercantilist views on trade.
 - Compare and contrast the principle of absolute advantage and the principle of comparative advantage.
 - How do changing supply and demand conditions influence the equilibrium terms of trade?
- XIII. Summary (PPT Slide 70-71)
- XIV. Key Concepts and Terms
- XV. Study Questions, 1 hour total:
 - 1. Identify the basic questions with which modern trade theory is concerned.

Modern trade theory addresses the following questions: (1) What constitutes the basis for trade? (2) At what terms of trade do nations export and import certain products? (3) What are the gains from trade in terms of production and consumption?

How did Smith's views on international trade differ from those of the mercantilists?

The mercantilists maintained that government should stimulate exports and restrict imports so as to increase a nation's holdings of gold. A nation could only gain at the



expense of other nations because not all nations could simultaneously have a trade surplus. Smith maintained that with free trade, international specialization of resources in production leads to an increase in world output, which can be shared by both trading partners. All nations simultaneously can enjoy gains from trade in terms of production and consumption.

3. Develop an arithmetic example that illustrates how a nation could have an absolute disadvantage in the production of two goods and still have a comparative advantage in the production of one of them.

Assume that by devoting all of its resources to the production of steel, France can produce 40 tons. By devoting all of its resources to televisions, France can produce 60 televisions. Comparable figures for Japan are 20 tons of steel and 10 televisions. In this example, France has an absolute advantage in the production of steel and televisions. France has a comparative advantage in televisions.

4. Both Smith and Ricardo contended that the pattern of world trade is determined solely by supply conditions. Explain.

Ignoring the role of demand's impact on market prices, Smith and Ricardo maintained that a country's competitive position is underlaid by supply conditions. Smith's trade theory is based on absolute costs, while comparative costs underlie Ricardo's trade theory.

5. How does the comparative-cost concept relate to a nation's production possibilities frontier? Illustrate how differently shaped production possibilities frontiers give rise to different opportunity costs.

The principle of comparative advantage can be explained by opportunity cost, which indicates the amount of one product that must be sacrificed in order to release enough resources to be able to produce one more unit of another product. The slope of the production possibilities curve (i.e., the marginal rate of transformation) indicates this rate of sacrifice. A nation facing a straight-line production possibilities curve produces under conditions of constant costs, while production under increasing costs refers to a bowed-out (i.e., concave) production possibilities curve.

6. What is meant by *constant opportunity costs* and *increasing opportunity costs*? Under what conditions will a country experience constant or increasing costs?

Constant opportunity costs refer to a situation where the cost of each additional unit of one product in terms of another product remains the same. Constant costs occur when resources are completely adaptable to alternative uses. Under increasing cost conditions, a nation must sacrifice more and more of one product to produce each



additional unit of another product. Increasing costs occur when resources are not completely adaptable to alternative uses.

7. Why is it that the pre-trade production points have a bearing on comparative costs under increasing-cost conditions but not under constant-cost conditions?

Where a nation produces along its production possibilities curve in autarky affects the nation's comparative costs under increasing cost conditions. This is because the slope of a bowed-out production possibilities curve, which indicates the marginal rate of transformation, varies at each point along the curve. Under conditions of constant costs, the production possibilities curve is a straight line. The marginal rate of transformation does not change in response to movements along the production possibilities curve.

8. What factors underlie whether specialization in production will be partial or complete on an international basis?

Under constant opportunity cost conditions, specialization is complete. A country can devote all of its resources to the production of a good without losing its comparative advantage. Under increasing cost conditions, specialization tends to be partial. As production costs rise with expanded production, the home country eventually loses its comparative advantage.

TBEXAM. COM

9. The gains from specialization and trade are discussed in terms of *production gains* and *consumption gains*. What do these terms mean?

Production gains from trade refer to the increased output of goods and services made possible by the international division of labor and specialization. Consumption gains from trade refer to the increased amount of goods made available to consumers as the result of international trade.

10. What is meant by the term trade triangle?

The trade triangle includes a nation's exports, its imports, and international terms of trade.

11. With a given level of world resources, international trade may bring about an increase in total world output. Explain.

The free-trade argument maintains that international trade permits international division of labor and specialization and results in resources being transferred to their highest productivity. World output thus rises above autarky levels.

12. The maximum amount of steel or aluminum that Canada and France can produce if they use all the factors of production at their disposal with the best technology



available to them is shown (hypothetically) in Table 2.8. Assume that production occurs under constant-cost conditions. On graph paper, draw the production possibilities frontiers for Canada and France; locate aluminum on the horizontal axis and steel on the vertical axis of each country's graph. In the absence of trade, assume that Canada produces and consumes 600 tons of aluminum and 300 tons of steel, and that France produces and consumes 400 tons of aluminum and 600 tons of steel. Denote these autarky points on each nation's production possibilities frontier.

a. Determine the MRT of steel into aluminum for each nation. According to the principle of comparative advantage, should the two nations specialize? If so, which product should each country produce? Will the extent of specialization be complete or partial? Denote each nation's specialization point on its production possibilities frontier. Compared to the output of steel and aluminum that occurs in the absence of trade, does specialization yield increases in output? If so, by how much?

Canada's MRT of steel into aluminum equals 1/3 ton of steel per ton of aluminum, while France's MRT of steel into aluminum equals 1½ tons of steel per ton of aluminum. Canada specializes in the production of aluminum while France specializes in the production of steel. Complete specialization occurs in each country. The production gains from trade for the two countries total 500 tons of aluminum and 300 tons of steel.

b. Within what limits will the terms of trade lie if specialization and trade occur? Suppose Canada and France agree to a terms of trade ratio of 1:1 (1 ton of edit OK?of aluminum). Draw the terms of trade line in the diagram of each nation. Assuming 500 tons of steel are traded for 500 tons of aluminum, are Canadian consumers better off as the result of trade? If so, by how much? How about French consumers?

Lower limit, 1 ton of aluminum = 1/3 ton of steel; upper limit, 1 ton of aluminum = 1½ tons of steel. The consumption gains from trade for Canada consist of 400 tons of aluminum and 200 tons of steel; the consumption gains from trade for France consist of 100 tons of aluminum and 100 tons of steel.

c. Describe the trade triangles for Canada and France.

Canada's trade triangle is bounded by 500 tons of aluminum (export), 500 tons of steel (import), and a terms of trade equal to 1 ton of aluminum per ton of steel. France's trade triangle is bounded by 500 tons of steel (export), 500 tons of aluminum (import), and a terms of trade equal to 1 ton of steel per ton of aluminum.

13. The hypothetical figures in Table 2.9 give five alternate combinations of steel and autos that Japan and South Korea can produce if they fully use all factors of production at their disposal with the best technology available to them. On graph paper, sketch the



production possibilities frontiers of Japan and South Korea. Locate steel on the vertical axis and autos on the horizontal axis of each nation's graph.

a. The production possibilities frontiers of the two countries appear bowed out from the origin. Why?

Japan's commodity terms of trade improved to 107. Canada's commodity terms of trade remained constant at 100. Ireland's commodity terms of trade worsened to 88.

b. In autarky, Japan's production and consumption points along its production possibilities frontier are assumed to be 500 tons of steel and 600 autos. Draw a line tangent to Japan's autarky point and from it calculate Japan's MRT of steel into autos. In autarky, South Korea's production and consumption points along its production possibilities frontier are assumed to be 200 tons of steel and 800 autos. Draw a line tangent to South Korea's autarky point, and from it calculate South Korea's MRT of steel into autos.

Japan's MRT of steel into autos equals 1/6 ton of steel per auto. South Korea's MRT of steel into autos equals 6 tons of steel per auto.

c. Based on the MRT of each nation, should the two nations specialize according to the principle of comparative advantage? If so, in which product should each nation specialize?

TBEXAM. COM

Japan specializes in the production of autos, while South Korea specializes in steel.

d. The process of specialization in the production of steel and autos continues in Japan and South Korea until their relative product prices, or MRTs, equalize. With specialization, suppose the MRTs of the two nations converge at MRT=1. Starting at Japan's autarky point, slide along its production possibilities frontier until the slope of the tangent line equals 1. This becomes Japan's production point under partial specialization. How many tons of steel and how many autos will Japan produce at this point? In like manner, determine South Korea's production point under partial specialization. How many tons of steel and how many autos will South Korea produce? For the two countries, do their combined production of steel and autos with partial specialization exceed their output in the absence of specialization? If so, by how much?

With partial specialization, Japan produces 200 tons of steel and 1,300 autos, while South Korea produces 900 tons of steel and 400 autos. The production gains for the two countries combined total 400 tons of steel and 300 autos.

e. With the relative product prices in each nation now in equilibrium at 1 ton of steel equal to 1 auto (MRT=1), suppose 500 autos are exchanged at these terms of trade.



- (1) Determine the point along the terms of trade line at which Japan will locate after trade occurs. What are Japan's consumption gains from trade?
- (2) Determine the point along the terms of trade line at which South Korea will locate after trade occurs. What are South Korea's consumption gains from trade?

Japan's consumption gains from trade consist of 200 tons of steel and 200 autos. South Korea's consumption gains consist of 200 tons of steel and 100 autos.

14. Table 2.10 gives hypothetical export price indexes and import price indexes (2000 = 100) for Japan, Canada, and Ireland. Compute the commodity terms of trade for each country for the period 2000–2016. Which country's terms of trade improved, worsened, or showed no change?

Japan's commodity terms of trade improved to 107. Canada's commodity terms of trade remained constant at 100. Ireland's commodity terms of trade worsened to 88.

15. Why is it that the gains from trade could not be determined precisely under the Ricardian trade model?

The gains a country enjoys from free trade depend on the equilibrium terms of trade, which is determined by world supply and demand conditions. By recognizing only the role of supply, Ricardo was unable to determine the equilibrium terms of trade.

16. What is meant by the theory of reciprocal demand? How does it provide a meaningful explanation of the international terms of trade?

The theory of reciprocal demand suggests that if we know the domestic demands expressed by both trading partners for both products, the equilibrium terms of trade can be defined.

17. How does the commodity terms of trade concept attempt to measure the direction of trade gains?

The commodity terms of trade considers the direction of the gains from trade by measuring the relationship between the prices a country gets for its exports and the prices it pays for its imports, over a given time period.

[return to top]

Additional Discussion Questions

You can assign these questions several ways: in a discussion forum in your LMS; as whole-class discussions in person; or as a partner or group activity in class.

1. **Discussion:** *Dynamic Gains from Trade: Long-Run Economic Growth* (2.3, PPT Slide 33, for in class) Duration 45 minutes.



- a. In-class discussion: The text discusses dynamic gains from international trade, partly drawn from Daniel Griswold, *The Dynamic Gains from Free Digital Trade for the U.S. Economy*, U.S. Congress Joint Economic Committee, Public Hearing, September 12, 2017. Students can read the initial document and research existing regional digital trade agreements. What are the objectives, advantages and disadvantages?
 - i. Answer: Recent examples include the U.S.-Japan Digital Trade Agreement, the Singapore-Australia Digital Trade Agreement and the Singapore-New Zealand-Chile Digital Economy Partnership Agreement (DEPA). The scope of digital trade agreements is evolving, and the challenges of privacy, transparency, cybersecurity, AI ethical principles, etc. can be discussed.

[return to top]

Additional Activities and Assignments

The following are activities and assignments developed by Cengage but not included in the text, PPTs, or courseware (if courseware exists). They are for you to use if you wish.

- 1. Course Project: International Economics: Student Internships
 - a. In this course, students will carry out a job search for an international internship. An international internship is a great way to gain much-needed work experience, boost resumes, and explore a new culture and way of life, while contributing to key global issues across a variety of fields. Student internships in international economics are provided by a number of sources such as government agencies, research institutions (think tanks), commercial banks, corporations, and the like. A typical economics internship finds a student working in a local business, government agency, or nonprofit organization gathering and analyzing information. While some companies or agencies pay interns, some do not. This online document provides some possibilities. It can be found at www.cengagebrain.com.
 - b. This assignment has three different deliverables that are due in two-week intervals:
 - i. Research internships.
 - ii. Identify an internship.
 - iii. Students will apply for the internship and write a summary of the job search experience and the outcome. Be sure they address how they would contribute to key global issues through the internship.

[return to top]

 \vdash



Instructor Manual: Carbaugh, International Economics 18e, 9780357518915; Chapter 2: Foundations of Modern Trade Theory:

Comparative Advantage

Additional Resources

Internet Resources

- The World Bank www.worldbank.org
- Federal Reserve Bank of San Francisco www.frbsf.org/

Primary Sources

- Daniel Griswold, The Dynamic Gains from Free Digital Trade for the U.S. Economy, U.S. Congress Joint Economic Committee, Public Hearing, September 12, 2017 James Gwartney and James Carter, Twelve Myths of International Trade, U.S. Senate, Joint Economic Committee, June 2000, pp. 4–11.
 www.jec.senate.gov/public/index.cfm/2017/9/jec-to-hold-hearing-on-dynamic-gains-from-free-digital-trade
- Conference Board, International Comparisons of Hourly Compensation Costs in Manufacturing, Summary Tables at https://www.conference board.org/ilcprogram/index.cfm?id=28277
- World Bank, GDP Per Capita (Current US\$) at http://data.worldbank.org/

[return to top]

TBEXAM.COM



Appendix

Generic Rubrics

Providing students with rubrics helps them understand expectations and components of assignments. Rubrics help students become more aware of their learning process and progress, and they improve students' work through timely and detailed feedback. Customize these rubrics as you wish. The writing rubric indicates 40 points, and the discussion rubric indicates 30 points.

Standard Writing Rubric

Criteria	Meets Requirements	Needs Improvement	Incomplete
Content	The assignment clearly	The assignment partially	The assignment does not
	and comprehensively	addresses some or all	address the questions in
	addresses all questions in	questions in the	the assignment.
	the assignment.	assignment.	0 points
	15 points	8 points	
Organization and Clarity	The assignment presents	The assignment presents	The assignment does not
	ideas in a clear manner	ideas in a mostly clear	present ideas in a clear
	and with strong	manner and with a mostly	manner and with strong
	organizational structure.	strong organizational	organizational structure.
	The assignment includes	structure. The assignment	The assignment includes
	an appropriate	includes an appropriate	an introduction, content,
	introduction, content, and	introduction, content, and	and conclusion, but
	conclusion. Coverage of	conclusion. Coverage of	coverage of facts,
	facts, arguments, and	facts, arguments, and	arguments, and
	conclusions are logically	conclusions are mostly	conclusions are not
	related and consistent.	logically related and	logically related and
	10 points	consistent.	consistent.
		7 points	0 points
Research	The assignment is based	The assignment is based	The assignment is not
	upon appropriate and	upon adequate academic	based upon appropriate
	adequate academic	literature but does not	and adequate academic
	literature, including peer-	include peer-reviewed	literature and does not
	reviewed journals and	journals and other	include peer-reviewed
	other scholarly work.	scholarly work.	journals and other
	5 points	3 points	scholarly work.
			0 points
Research	The assignment follows	The assignment follows	The assignment does not
	the required citation	some of the required	follow the required
	guidelines.	citation guidelines.	citation guidelines.
	5 points	3 points	0 points
Grammar and Spelling	The assignment has two	The assignment has three	The assignment is
	or fewer grammatical and	to five grammatical and	incomplete or
	spelling errors.	spelling errors.	unintelligible.
	5 points	3 points	0 points

[return to top]

 \vdash



Instructor Manual: Carbaugh, International Economics 18e, 9780357518915; Chapter 2: Foundations of Modern Trade Theory:

Comparative Advantage

Standard Discussion Rubric

Criteria	Meets Requirements	Needs Improvement	Incomplete
Participation	Submits or participates in	Does not participate or	Does not participate in
	discussion by the posted	submit discussion by the	discussion.
	deadlines. Follows all	posted deadlines. Does	0 points
	assignment. instructions	not follow instructions for	
	for initial post and	initial post and	
	responses.	responses.	
	5 points	3 points	
Contribution Quality	Comments stay on task.	Comments may not stay	Does not participate in
	Comments add value to	on task. Comments may	discussion.
	discussion topic.	not add value to	0 points
	Comments motivate other	discussion topic.	
	students to respond.	Comments may	
	20 points	not motivate other	
		students to respond.	
		10 points	
Etiquette	Maintains appropriate	Does not always maintain	Does not participate in
	language. Offers criticism	appropriate language.	discussion.
	in a constructive manner.	Offers criticism in an	0 points
	Provides both positive	offensive manner.	
	and negative feedback.	Provides only negative	
	5 points	feedback.	
		3 points	

[return to top]

TBEXAM.COM