

Economics 3500-090 Syllabus

International Economics
Fall 2020
3 Credit Hours

[Note to students: This is an abbreviated version of our class Syllabus containing mainly the *tentative* class schedule, summary of assignments, and the grading plan in order to give you a good idea of what to expect in the course. A more complete Syllabus will be available on the class Canvas website when the course is published at the commencement of Fall Semester.]

On-line course

Pre-requisite – Econ 2010 and 2020 (or Econ 1010 and instructor’s consent)

Instructor – C. Jean Arment, PhD

Email – Class communications will be conducted through Canvas Mail

Office Location & Hours – Virtual conferencing to be arranged with the instructor

Course Overview

This course presents a theoretically sophisticated (upper level undergraduate) treatment of trade theory, trade policy, and international macroeconomics, as well as a number of current issues relating to the global economy. Most centrally, we will address the determinants of trade patterns; become familiar with classical and neoclassical trade theory models, as well as their limitations; examine alternative trade policies (tariffs, quotas, subsidies, etc.) and their uses; and set current trade and trade policy within a historical context. Our study of international macroeconomics will provide introductions to national income accounting, exchange rate determination and policy, interest rates and international finance. Additionally, as class interests and time permit, we will examine other issues relating to current challenges of the global economy (Pandemics? Trade wars? Migration? Climate change?)

Course Objectives

In this course, students will be prepared to:

1. Articulate both the benefits and the risks, historically and currently, of international economic interdependence amongst nations.
2. Understand, describe and critically discuss major theories of international trade, relevant data patterns and major policy issues.
3. Distinguish between a number of trade policy institutions and instruments and their various uses.
4. Understand, describe and critically discuss the co-determination and interaction of exchange rates, interest rates and output in an open macroeconomy, relevant data patterns and major policy issues
5. Apply knowledge gained in the course to current issues in international trade and economic globalization.

Required Text: The **textbook** for this class will be **Krugman, Obstfeld and Melitz, *International Economics*, 11th edition**. PLEASE NOTE: The campus bookstore has added the cost of the online version of this text to your tuition bill. You can, if you wish, use older editions of the book, but *you must cancel the bookstore order for the online version in order to receive a refund for the online version*. Also, please be aware that you use older editions at your own risk! (Be aware, for example, that the Syllabus will not provide page references to older editions; case studies in the text have been updated; and a crucial change in the ninth edition was to change chapter ordering. However, most of the core theory and models remain essentially unchanged.)

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Tentative Class Schedule

[Note to Students: This is a *tentative* class schedule that will undoubtedly be adapted throughout the course in response to class interests and real time developments in current trade conditions, trade policy and evolving international macroeconomics.]

Week/Date	Weekly Content	Readings/Assignments	Assignment Due
I. Introduction: The Benefits and Dangers of Interconnectedness			
	Weekly Subjects	Readings	Assignments
Week 1	1. Introduction to Class and Syllabus 2. Interdependence! The Benefits and the Risks of International Interconnectedness	Van den Berg, <i>International Economics: A Heterodox Approach</i> . Ch. 1, pp 3-20	1. Student Introduction Post 2. Syllabus Quiz 3. Discussion Board: Interconnectedness in Today's World Economy
II. Brief History of International Trade			
Week 2	Trade History I: Ancient Trade, Mercantilism and Multinationals		
	Trade Goods and Routes of Antiquity Early Global Trade and the Rise of Mercantilism, Monopolies and Multinationals	Bernstein, <i>A Splendid Exchange</i> , Ch 8. "A World Encompassed"	1. Bernstein Reading Response Form 2. Discussion Board Participation Group Case Study 1 Assigned: Early Multinational Corporations
Week 3	Trade History II: Free Trade vs. Protectionism		
	Trade in the Colonial Era 19 th Century Globalization	1. Andreas, <i>Smuggler Nation: How Illicit Trade Made America</i> , Ch. 2 & 3, Selected pages. 2. Rodrik, <i>The Globalization Paradox</i> , Ch.2, pp. 24-34	-Reading Response Form & Discussion Board Participation (both readings) Group Case Study 1 due Quiz 1
III. International Trade Theory and Trade Policy			
	International Trade Theory		
Week 4	World Trade Overview Ricardo and the Comparative Advantage Model	Krugman, Ch 2, Selected pages Krugman, Ch 3	- Data search assignment - Comparative advantage worksheet - Quiz 2

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Week 5	The Specific Factors Model & Distributional Effects	Krugman, Ch 4 Krugman, Ch 5, Selected pages	Group Problem Sets Quiz 3
Week 6	On Costs of Adjustment Firms in the Global Economy	Banerjee & Duflow, “Good Economics for Hard Times” Ch 3, Selected pages Krugman, Ch 8	Discussion Board Participation Quiz 4
IV. International Trade Policy: Instruments and Institutions			
Week 7	Trade Policy Instruments and Institutions I Free Trade Agreements, The World Trade Organization and On-going Disputes: GATT to Doha Round to the Battle in Seattle and the Turn to Bilateral/Regional Trend in Trade Agreements	Krugman, Ch 9 Video: Battle in Seattle	-Discussion Board Current News Post -Case Study 2 Assigned: On-going WTO Disputes - Quiz 5
Week 8	Trade Policy Instruments and Institutions II The Bretton Woods Institutions	Krugman, Ch 19, Selected pages Film Streaming: “Who’s Counting?” - Intro to the post-WWII international order	Viewing Response Form: Who’s Counting? Discussion Bd: On GDP as Measure of Success Case Study 2 Due
V. International Macroeconomics			
Week 9	National Income Accounting and Balance of Payments	Krugman, Ch 13	Quiz 6
Week 10	Money, Interest and Exchange Rates	Krugman, Ch 14 & 15, Selected pages	Quiz 7
Week 11	Financial Globalization: Opportunity and Crisis	Krugman, Ch 20	Quiz 8
V. Globalization and Development			
Week 12	Political Economy of Trade & Trade Policy	Krugman, Ch 10 – Selected pages Stiglitz, <i>Globalization & Its Discontents</i> , Ch 1.	Case Study 3 Assigned: Country Reports: BW Institutions & Development
Week 13	Bretton Woods Institutions; Policies and Economic Development in the Third World Winners and Losers in the Global Economy: IMF and WB Policies in the Third World	Chang, <i>Kicking Away the Ladder</i> , Ch. 2, pp 13-32 Krugman, Ch. 11, Selected pages Finnegan, “The Economics of Empire,” <i>Harper’s Magazine</i>	Reading Response & Discussion Bd. Case Study 3 Due Quiz 9
VI. Special Projects: Global Challenges			
Week 14	Global Inequality – History and Current Trends	Pritchett, L. “Divergence Big Time”	Reading Response Form and Discussion Bd.

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	OR: Global Economics, Climate Change and International Food Policy/Grain Trade	Piketty, T. <i>Capital and Ideology</i> . (Selection TBA) Reading: TBA	
Week 15	Looking to the Future: Globalism, International Institutions, and the Potential for Accord	Stiglitz, J., <i>Making Globalization Work</i> , Ch. 1. "Another World Is Possible" Piketty, T. <i>Capital and Ideology</i> , Selection TBA)	Reading Response Form and Discussion Bd.
Week 16	Special Projects Due		
	Policy Research Paper Assigned OR Book Review Presentation		

Grading Policy

Although this is an online course, weekly student participation will be central in accomplishing our goals for this class. Student discussion groups will be formed early in the course and both individual and group assignments will make up important portions of student grades. Grades will be based on the following:

1. Reading Response, Discussion Board, and Miscellaneous Short Assignments: (200 pts; 25% of grade)

Approximately 20 short assignments, including written Reading or Viewing Responses, Discussion Board Participations, short essays, data gathering/presentation or problem sets, will be assigned throughout the course. The Written Reading/Viewing Response consist of the completion of a form that will require responses to questions about the reading/viewing. Generally, these assignments are preparation for Discussion Board participation. Each assignment in this category is worth 10 points. The lowest 3 scores will be dropped. (In the event adjustments to the planned schedule result in fewer (or more) assignments in this category, adjustments will be made to the total.)

2. Case Studies: (80 pts each; 30% of grade)

Four case study *power point presentations* will be assigned throughout the course. The single lowest score will be dropped.

3. Quizzes: (10 pts each; 10% of grade)

Nine short on-line quizzes will be assigned, most of them based on the more technical aspects of international trade and macroeconomic theory as presented in the course textbook. The quizzes are to be considered as preparation for the two midterm exams. The inclusion of the introductory Syllabus quiz, scheduled as shown on the Class Schedule above, makes a total of 10 quizzes; the two lowest scores of the class study quizzes will be dropped (but not the Syllabus quiz).

4. Online Midterm Exams: (60 pts each; 15% of grade)

The two online Midterm Exams focus on the more technical aspects of the course; the first on Trade Theory and Instruments and the second on International Macroeconomics. Each exam will be worth 60 points, *must* be taken within the prescribed time frame allowed, and *neither score will be dropped*.

5. Final Student Policy Papers OR Book Review Presentations: (160 pts; 20% of grade)

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Classroom Policies

CANVAS: We will be using Canvas extensively in the course of our study. Students are expected to keep current with the **Instructor's Announcements** that will frequently be posted concerning class assignments, scheduling of assignments and presentations, policies, etc. We will also make frequent use of the Canvas Discussion Boards and organize our class working groups through Canvas.

University Policies

[NOTE: The online Canvas Syllabus, available as the course commences, will include a much more detailed description of University Policies and Student Resources. An important assignment of Week 1 is to thoroughly review that syllabus and complete a quiz on its contents.]

Americans with Disabilities Act (ADA) Statement

The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. All information in this course can be made available in alternative format with prior notification to the Center for Disability Services.
(www.hr.utah.edu/oeo/ada/guide/aculty/)

Wellness Statement

Personal concerns such as stress, anxiety, relationship difficulties, depression, cross-cultural differences, etc., can interfere with a student's ability to succeed and thrive at the University of Utah. For helpful resources contact the Center for Student Wellness - www.wellness.utah.edu; 801-581-7776.