Econ 3500: International Economics
Fall 2018, Section 002

Instructor: Catherine Ruetschlin
Contact: Catherine.Ruetschlin@economics.utah.edu
Office location: Gardner Commons, 4th Floor
Office Hours: Tuesday & Thursday 3:30 - 4:30 pm

Course Meets: Monday & Wednesday, 11:50 am – 1:10 pm
Social and Behavioral Sciences Building (BEH S), room 112


The 9th edition of Krugman, Obstfeld, and Melitz is a close substitute. Additional materials will be made available on Canvas.

Course Goals: This one-semester course in international economics will introduce international markets and their governing institutions in the context of trade, finance, and development. These are broad topics that include multiple theoretical perspectives. At the end of the term students will be familiar with the history of these markets and the classical and modern approaches to their ideation. Students will attain the theoretical and empirical foundations for understanding and thinking critically about economics in the international context. The course is designated as QIIR: quantitatively intensive and an international requirement. In accordance with this designation, at the end of the term students will be prepared to interpret international economic issues presented in academic and popular publications using text, graphic, and algebraic expression, and to understand how national economic policy intersects with global economic issues.

Grades: Grades will be calculated based on the following required work:

Problem Sets: 25%
Midterm Exam I: 25%
Midterm Exam 2: 25%
Final Exam: 25%

Problem sets will be available on Canvas one week before they are due. These assignments will include a combination of short answer/essay questions and analytical/graphical analysis. All answers must be written in complete sentences. Assignments are due via email before class begins or at the beginning of class in hard copy. The problem sets are intended to help you master the material and prepare for the midterm and final exams.
Grading Scale:

90-100%: A
80-89%: B
70-79%: C
60-69%: D
0-59%: F

**Late Assignments:** All assignments are due at the beginning of class in hard copy or via email before class begins to catherine.ruetschlin@economics.utah.edu. A deduction of one letter grade per day will be imposed on late work.

**Attendance Policy:** Attendance will be recorded at all course meetings. Students should be present at the beginning of class to be counted present. The attendance record will be used to inform the final grade assigned if a student is borderline between two grades. Attendance can only help your grade.

**Academic Honesty:** Please note the definitions of cheating, misrepresenting one’s work, inappropriately collaborating, plagiarism, and fabrication or falsification of information from the University Utah Student Handbook, available here:

https://regulations.utah.edu/academics/6-400.php

“‘Plagiarism’ means the intentional unacknowledged use or incorporation of any other person’s work in, or as a basis for, one’s own work offered for academic consideration or credit or for public presentation. Plagiarism includes, but is not limited to, representing as one’s own, without attribution, any other individual’s words, phrasing, ideas, sequence of ideas, information or any other mode or content of expression.”

There are many types of plagiarism, all are serious offenses and will be treated according to the University of Utah rules and procedures for student academic conduct outlined in Student Code - Policy 6-400: Code of Student Rights and Responsibilities.

Any incidents of cheating, misrepresentation, or plagiarism will result in a grade of zero for the assignment. All essays and assignments must be written in your own words with proper citations.
Class Calendar

**Week 1: August 20th & 22nd**

Introduction to the course, key concepts, and the gravity model
Krugman, Obstfeld, and Melitz, Chapter 2 & Chapter 13 pp. 293-300

**Week 2: August 27th & 29th**

The Ricardian Model of Trade
Krugman, Obstfeld, and Melitz, Chapter 3

**Week 3: September 5th**

No Class Monday September 3
Heckscher-Ohlin-Wood and Stolper-Samuelson
Krugman, Obstfeld, and Melitz Chapter 5

**Week 4: September 10th & 12th**

Heckscher-Ohlin-Wood and Stolper-Samuelson
Krugman, Obstfeld, and Melitz Chapter 5
Standard Trade Model
Krugman, Obstfeld, and Melitz Chapter 6

**Week 5: September 17th & 19th**

Standard Trade Model
Krugman, Obstfeld, and Melitz Chapter 6
**Week 6:** September 24th & 26th

In class exam Monday September 24th

September 26th: New Trade Theory & Imperfect Competition

**Week 7:** October 1st & 3rd

New Trade Theory & Imperfect Competition

Economies of Scale, Exports, Outsourcing, and Multinational Companies

Krugman, Obstfeld, and Melitz Chapters 7 & 8


**Week 8:** October 8th & 10th

Fall Break, no classes

**Week 9:** October 15th & 17th

Globalization’s Critics

Chang, Ha-Joon (December 2003), Kicking Away the Ladder: The “Real” History of Free Trade, Foreign Policy in Focus (Silver City, NM: Interhemispheric Resource Center). (Available on Canvas)

Milanovic, Branko (2003), The Two Faces of Globalization: Against Globalization as We Know It, *World Development* Vol. 31, No. 4 (pp. 667-683). (Available on Canvas)


**Week 10:** October 22nd & 24th

Trade Institutions and Political Economy
Krugman, Obstfeld, and Melitz Chapters 9-12


**Week 11**: October 29th & 31st

National Income Accounting and the Balance of Payments

Krugman, Obstfeld, and Melitz, Chapter 13

**Week 12**: November 5th & 7th

*In class exam Monday, November 5th*

November 7th: Exchange rates

Krugman, Obstfeld, and Melitz Chapter 14

**Week 13**: November 12th & 14th

Money, Interest, and exchange rate regimes

Krugman, Obstfeld, and Melitz Chapters 15-18

**Week 14**: November 19th & 21st

Financial globalization and its disappointments

Krugman, Obstfeld, and Melitz Chapters 19 & 20


**Week 15**: November 26th & 28th
Poverty, Inequality, and Development

Krugman, Obstfeld, and Melitz Chapter 22


Milanovic, Branko (May 2013), Global Inequality in Numbers: In History and Now, Global Policy Volume 2 Issue 4 (pp. 198-208). (Available on Canvas)

Milberg, William, and Deborah Schöller (2008), Globalization, Offshoring, and Economic Insecurity in Industrialized Countries, Prepared for U.N. Department of Economic and Social Affairs.


Amsden, Alice (2001), Speeding Up and Selective Seclusion. In the Rise of “the Rest:” Challenges to the West from Late-Industrializing Economies (pp. 125-189), New York: Oxford University Press. (Available on Canvas)

**Week 16**: December 3rd & 5th

Globalization and crisis

Krugman, Obstfeld, and Melitz Chapter 21


**Week 17:** Final Exam Thursday, December 13, 10:30 am – 12:30 pm

Regularly scheduled classroom: Social and Behavioral Sciences Building (BEH S), room 112
BUILDING EVACUATION

EAP (Emergency Assembly Point) – When you receive a notification to evacuate the building either by campus text alert system or by building fire alarm, please follow your instructor in an orderly fashion to the EAP marked on the map below. Once everyone is at the EAP, you will receive further instructions from Emergency Management personnel. You can also look up the EAP for any building you may be in on campus at http://emergencymanagement.utah.edu/eap.

CAMPUS RESOURCES

U Heads Up App: There’s an app for that. Download the app on your smartphone at alert.utah.edu/headsup to access the following resources:

- Emergency Response Guide: Provides instructions on how to handle any type of emergency, such as earthquake, utility failure, fire, active shooter, etc. Flip charts with this information are also available around campus.

- See Something, Say Something: Report unsafe or hazardous conditions on campus. If you see a life threatening or emergency situation, please call 911!

Safety Escorts: For students who are on campus at night or past business hours and would like an escort to your car, please call 801-585-2677. You can call 24/7 and a security officer will be sent to walk with you or give you a ride to your desired on-campus location.