2017

ECON 450-01 International Economics

Hasan Faruq
faruqh@xavier.edu

Follow this and additional works at: https://www.exhibit.xavier.edu/economics_syllabi_spring_2017

Recommended Citation
https://www.exhibit.xavier.edu/economics_syllabi_spring_2017/11

This Restricted-Access Syllabus is brought to you for free and open access by the Economics Syllabi 2017 at Exhibit. It has been accepted for inclusion in Economics Syllabi Spring 2017 by an authorized administrator of Exhibit. For more information, please contact exhibit@xavier.edu.


Course Overview:
This is an upper-level economics course which examines various theories and concepts that are essential for understanding recent issues in the global economy. Specifically, we will examine why and how countries trade with each other, the effect of trade on economic growth and income inequality, the consequences of immigration and multinational activities, and the role of currencies and exchange rate. Time permitting, we will discuss contemporary issues concerning economic integration such as the European Monetary Union (EMU) and the North American Free Trade Agreement (NAFTA). After completing this course, you will hopefully be able to analyze current issues in global economics using some of the tools learnt from this class.

Course Material:
There are no required textbooks for this course. My own lecture notes are primarily based on: (1) International Economics: Theory and Policy (6th edition) by Paul Krugman and Maurice Obstfeld and (2) International Economics (5th edition) by James Gerber. I will post the syllabus, lecture outlines, assignments, readings and any announcements on Canvas.

Pre-requisites:
The pre-requisites for this course are ECON 305: Microeconomic Analysis, ECON 306: Macroeconomic Analysis and MATH 150/MATH 170: Calculus I. As an upper-level economics courses, this course is somewhat technical in nature and has a research paper requirement. So, if you are not confident about your background in algebra or statistics, please do some reviewing or seek some external help (e.g. tutors at Xavier, your notes from other economics classes, etc.).

Grading

<table>
<thead>
<tr>
<th></th>
<th>Capstone</th>
<th>Non-capstone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Final</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Problem Sets</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Research Paper</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Presentation to economics faculty</td>
<td>10</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Participation and in-class assignments</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>TOTAL score</td>
<td>160</td>
<td>150</td>
</tr>
</tbody>
</table>

I will grade and return all assignments to you as soon as possible, except for the final exam and the participation grades, which I will calculate at the end of the semester. I will use the following scale to calculate your final grade for the course.

\[
\begin{align*}
A &= 94\% \text{ and above} \\
A- &= 90-93\% \\
B+ &= 87-89\% \\
B &= 83-86\% \\
B- &= 80-82\% \\
C+ &= 77-79\% \\
C &= 70-76\% \\
D &= 60-70 \\
F &= \text{Below 60}\% 
\end{align*}
\]

If your final percentage grade falls within 0.5 points of the next letter grade, I will round it off. For example, if your overall percentage for the course is above 82.5, I will round off your grade to 83%. The grades may be curved depending on class performance but there is no guarantee that I will do this.
If you want to calculate your **current** grade in the course, you may add up all the scores you have been handed back as a percentage of your total score. Then use the grading scale above. For example, if you receive 9 out of 10 in the first assignment and 33 out of 40 in the midterm, your grade in the course based on these scores is (9+33) out of (10+40), i.e. 42/50 = 84%, which is a “B” using the grading scale above.

Since your assignments and exams will be handed back to you (except for the final exam and your class participation grade), I encourage you to use the formula above to calculate your grade in the course. I will not post grades on Canvas but I will be happy to discuss any questions related to your grade.

**Exams** will be closed book and consist of a mix of problems, short questions, and multiple-choice questions. For the exams, you will be responsible only for the material discussed in class. I will do a review before each exam but you should not consider the exam review as a substitute for attending class regularly.

As mentioned earlier, there is a **final paper requirement** for this course. The paper will be empirical and must be on a topic related to this class (see the next section of the syllabus for a general overview of topics covered in this course). You may designate the research paper (10-15 pages, double spaced, excluding tables, figures, and bibliography) for this class as your “capstone paper” this semester. The grade for the paper will be based on both **analysis** and **writing**. **Grammar and format will be graded**. The grade for *capstone students* will be based on: (1) the final paper, and (2) a presentation to the economics department faculty towards the end of the semester. The **grade for the capstone presentation** will be based on the grades assigned by the economics professors attending the presentation. Capstone students need to register for **ECON 494**, which is a 0 credit hour course that keeps track of whether students fulfill the capstone requirement before graduation. Non-capstone students are not required to present their papers to the economics faculty, nor register for ECON 494. Rubrics for the final paper and the oral capstone presentation, as well as other information, will be provided in class.

**Tentative Course Coverage:**

In addition to the textbook chapters listed below, we will be discussing several articles in class, which will be included in the exams. All articles, as well as any changes to the coverage listed below, will be posted on **Canvas**.

**International Trade** (all chapters are from Krugman)

- **Chapter 1:** Introduction to International Economics
- **Chapter 2:** The Gravity Model
- **Chapter 3:** The Ricardian Model
- **Chapter 4:** Comparative Advantage
- **Chapter 5:** The Standard Trade Model
- **Chapter 6:** Economies of Scale and International Trade
- **Chapter 7:** International Factor Movements
- **Chapter 8:** Instruments of Trade Policy
- **Chapter 9:** Political Economy of Trade Policy

**International Finance** (all chapters are from Gerber)

- **Chapter 9:** Trade and the Balance of Payments
- **Chapter 10:** Exchange Rates and Exchange Rate Systems
- **Chapter 11:** Open Economy Macroeconomics

**Final Paper:** Hardcopy Due in Class on Wednesday, April 26th

**Midterm:** Friday, February 24th

**Final:** Monday, May 1st, 2-3:50
Course Policies:

- **Homework** due dates will be announced in class.
- **No classes:** January 16th (MLK day); March 6th-8th (Spring Break); April 14th and April 17th (Easter)
- **Last date to officially declare this class as your capstone** for the spring 2017 semester: **Friday, February 17, 2017**, i.e. you should have registered for ECON 494 (Capstone Experience in Economics) AND have your topic approved by me by this date.
- **Capstone presentations** to the economics department professors (only for the capstone students) will take place towards the end of April (exact dates and location will be announced in class).

- **Attendance:** I do not take class attendance but obviously, you cannot receive a good class participation grade if you are not in class. Also, the primary material for the exams will be the lecture notes. Although I will post lecture outlines on Canvas, you will receive the examples and detailed explanations only if you are in class. It is understandable if you miss a few (but not too many) classes and you do not have to explain to me why you missed those classes. If you miss a class, get the lecture notes from one of your classmates. After reviewing the notes, do not hesitate to talk to me if you have any questions. If you miss an in-class assignment, there will be no need for make-up work as there will be several in-class assignments throughout the semester and I will drop the lowest in-class assignment score. If you miss a class and want to discuss it with me, I prefer that you talk to me about it in person before or after class. In case you send me an email about missing a class, I will read the email but I may not respond unless it is an emergency.
- **Class conduct:** I expect the class atmosphere to be informal but respectful; inside and outside the classroom, treat each other and your professor with respect. Kindly do not surf the Internet (this class has a ’no laptop policy’) or have sidebar conversations while others are talking. I will keep track of attendance and positive conduct (in class/office hours/email) to factor in effort in the classroom in the calculation of the final grades for the course.
- **Late submission:** Late submissions will be assessed 20% per day. You are welcome to submit your assignment early if necessary.
- **Make-up exam/assignments:** If you miss an assignment or midterm due to a medical/work/family emergency, bring official, up-to-date and legible documentation from your employer or doctor. If your request is approved, I may adjust the weight of your remaining exams/assignments to make up for lost credit. If you have a conflict with the exam dates listed above, talk to me as soon as possible.
- **Final exam:** The final exam is mandatory. Missing it will result in a grade of zero for the final.
- **Email:** Use email for short questions (e.g. setting up an appointment to meet in my office). For longer questions or questions involving graphs/algebra, it is better to talk to me in person. Due to the volume of email I receive each semester, please be patient if you do not hear back from me immediately.
- **Academic dishonesty:** Plagiarism on a project/paper, copying classmates’ assignments word-for-word or cheating during an exam will result in a grade of “F” for the relevant assignment. In addition, the Dean of the College will be notified about the incident.
- **Accommodations for disability:** Students who require disability accommodations in this class are encouraged to make their requests by sharing their Accommodation Letters with me at the beginning of the semester. Disability related information is confidential. If you have not previously reached out to Disability Services, you can do so by phone at 513-745-3280, in person on the Fifth Floor of the Conaton Learning Commons, Room 514, or via e-mail to Cassandra Jones at jonesc20@xavier.edu, to coordinate reasonable accommodations as soon as possible, as accommodations are not retroactive.
- **Request for grade increase:** To be fair to all students, I can only assign a grade for the course based on class performance. So, kindly refrain from requesting grade increase for personal reasons. If you need a good grade in this course, work hard from the beginning of the semester. I want all my students to succeed and I will do everything I can to help you understand the material better.
- **About this syllabus:** I reserve the right to modify the syllabus as needed.
How to do well in this course:

I want you to work hard and succeed in this class. Since this is a 400 level economics class, the material can be difficult and can build up quickly. Pay attention in class and take good notes. Bring a few colored pens to class so that you can draw different graphs in different colors. We go over a lot of material in this class, so it may be a good idea to get a binder to keep all your notes, exams and assignments together in one place. At the end of each class, take a minute to highlight the important sections of your lecture notes and if necessary, place question marks next to anything that is not clear. Do not hesitate to ask questions either during or after class. I am always happy to see you in my office! Make sure to regularly review the in-class problems, homework problems and practice exam questions. Most importantly, do all of these things early; do NOT wait until just before an exam to find out whether you can understand the course material.

WCB Mission Statement:

“We educate students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition.”

WCB Learning Goals for This Course:

Critical Thinking

*Learning Goal:* WCB graduates will be able to think logically, reason quantitatively, and utilize appropriate analytical techniques and technology when evaluating and making decisions.

*Corresponding Objective:* WCB students will collect, evaluate and synthesize information to offer solutions and support decision making.

Effective Written and Oral Communication

*Learning Goal:* WCB graduates will be able to organize, support and communicate ideas clearly and effectively, employ multiple mediums of communication (e.g., written, oral and visual), and adapt communication to audience, context or purpose.

*Corresponding Objectives:* WCB students will make effective presentations, accompanied by the appropriate technology, demonstrating their ability to organize and communicate ideas clearly and professionally, both individually and in teams.

Global Perspective and Cultural Diversity

*Learning Goal:* WCB graduates will appreciate the historical and cultural contexts of the world in which they live, demonstrate the competencies required for engaging in global business activities, and respect and value diverse peoples and perspectives.

*Corresponding Objective:* WCB students will identify and contrast key attributes of countries’ business environments.