

University of Nebraska at Omaha
Department of Economics

Course: Economics 3600, Introduction to International Economics

Term & Schedule: Fall 2011, Monday and Wednesday, 1:30-2:45pm, MH 324

Professor: Dr. Catherine Y. Co

Office: MH 332R **Office Hours:** Mon. 2:45-3:45 pm; Wed. 4:30-5:30 pm, or by appointment

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** When sending e-mail to me be sure to write "Introduction to International Economics" in the subject heading. Otherwise, your messages may be tagged as spam. Also, I occasionally send messages to the class and will be using your UNO e-mail address (or the e-mail address on UNO's Blackboard system). Thus, be sure to check your e-mail account regularly.

Course Description:

An introduction to the analyses of international trade and international monetary system. Subjects covered include the economic basis for international specialization and trade, the effect of trade on income distribution, commercial policy, economic integration, the balance of payments, adjustment mechanism, exchange rate determination, external effects of monetary and fiscal policy and foreign investment.

Prerequisites are designed to protect you from taking courses that you are unprepared to successfully complete. You are expected to have mastered the materials covered in ECON 2200 (Prin. of Economics-Micro) and ECON 2220 (Prin. of Economics- Macro).

Required Text:

Feenstra, Robert C. and Alan M. Taylor, *Essentials of International Economics*, Second Edition, Worth Publishers: New York, 2012.

Lecture Notes:

These are available at the class's Blackboard page, go to <https://blackboard.unomaha.edu/>

Additional reading materials (e.g., articles from *The Economist*) will be distributed for in-class discussions.

Course Grade:

First Exam	20%
Second Exam	25%
Final Exam	25%
Mini-Projects**	25%
Attendance /Class Participation	<u>5%</u>
	100%

**Ten percentage points will be deducted from your grade for each day each of these items are submitted late. For example, if your work receives a grade of 90% but you turned it in one day late (Note: Submissions within a 24-hour period after 1:30 pm of the due date is considered one day late), then you will receive a grade of 80%.

Grading Scale for the Course:

A+: 97-100%; **A:** 93-96%; **A-:** 90-92%; **B+:** 87-89%; **B:** 83-86%; **B-:** 80-82%; **C+:** 75-79%; **C:** 70-74%; **D+:** 67-69%; **D:** 63-66%; **D-:** 60-62%; **F:** less than 60%

Exams:

The three examinations are scheduled on the following dates:

First Exam- September 28, 2011 (Wednesday)

Second Exam- November 7, 2011 (Monday)

Final Exam- December 14, 2011 (Wednesday) 1:30 to 3:30 pm

Withdrawal Deadline: November 4, 2011 (Friday)

Exam Philosophy:

My exams will be of two types: multiple choice and essay questions.

"Accommodations are provided for students with verified disabilities." For more information, contact UNO's Disability Services Office (402)554-2872 or go to <http://www.unomaha.edu/disability/>.

Early Exams:

If you know ahead of time that you will not be able to make it to an exam because of scheduled University-sponsored activities or job-related obligations, let me know as soon as possible and we can arrange for you to take the exam **early**. If you missed an exam without prior notification, you will receive a **zero**. Only upon presentation of a **legitimate** and **verifiable** excuse will I reconsider this rule.

Mini-Projects:

I will assign four to five mini-projects during the semester. These will require that you collect international trade and international finance data; summarize the information using *Microsoft Excel*; answer a set of questions about these data; and, discuss your findings in class. **Note:** If you do not know how to use *Microsoft Excel*, let me know right away. I have several "How to" books that I can lend you.

Attendance/Class Participation:

Although I do not check class attendance, you are expected to attend class regularly. This is because lectures are not solely based on materials covered by the textbook and supplementary reading materials. That is, lectures and reading materials are complementary rather than substitutes. In addition, class participation is part of your grade and you obviously cannot participate if you are not present. You are expected to participate in discussions of all assigned readings. Your participation grade also depends on your contributions during discussions of assigned textbook problems and the mini-projects.

Finally, no form of academic dishonesty will be tolerated.

TENTATIVE COURSE OUTLINE

1. The global economy, Chapter 1
2. International trade theory and policy (International Microeconomics)
 - 2a. Patterns of international trade
 - Trade and technology: the Ricardian model, Chapter 2
 - Gains and losses from trade in the specific-factors model, Chapter 3
 - Trade and resources: The Heckscher-Ohlin model, Chapter 4
 - **Intra-industry trade, Chapter 6, section 4
 - **Trade, multinational enterprises, off-shoring, Chapter 5, section 2
 - 2b. International trade policies
 - Tariffs and quotas under perfect competition, Chapter 7
 - **Tariffs and quotas under imperfect competition, Chapter 8, sections 3-5
3. Exchange rates and the balance of payments (International Macroeconomics)
 - 3a. Introduction to exchange rates and the foreign exchange market, Chapter 10
 - 3b. National and international accounts: Income, wealth, and the balance of payments, Chapter 13
 - 3c. Exchange rates I: the monetary approach in the long run, Chapter 11
 - 3d. Exchange rates II: the asset approach in the short run, Chapter 12
 - 3e. Fixed versus floating: International monetary experience, Chapter 15