

## **International Economics – Econ 3500 - 001**

Syllabus, Fall 2014

Credits-3

Fulfills the **IR (International)** and **QI (Quantitative Intensive)** requirements.

Kartik Verma

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**Lecture Hours:** Tuesday/Thursday, 10:45 am – 12:05 pm, Union Theatre.

**Office Hours:** Tuesday/Thursday, 12:05 pm – 1:20 pm or by Appointment.

**Course Description:** The course covers history, institutions and theory of international economic relations. You will be presented alternative theories relating to the patterns of international trade, commercial policy, as well as the relationships between national income and international trade and payments, balance-of-payments adjustment, international monetary arrangements, and foreign investment.

**Course Objectives:** The objective of the course is to give students an advanced understanding of international trade theory and basic knowledge about open-economy macroeconomics. They should be able to comment critically on economic policies pertaining to international trade and international finance. In addition, a successful student should also be able to relate the material studied in class to contemporary events happening in the global economy.

### **Essential Learning Outcomes Targeted by this Course:**

**1. Inquiry and Analysis and Quantitative Literacy:** Presentation of data and theory about international transactions encourages students to seek consistent stories (often multiple ones) of how the theoretical models are or are not consistent with the data and how they may aid the student's understanding of the data. Systematic inquiry is developed through the use of algebraic and geometric behavioral models as a tool of instruction. Quantitative techniques used in the substantive instruction and the student's mastery of them both develop and reinforce the quantitative skills but also are integral to the quality of the inquiry. Students display their analytical skills in classroom discussion and ultimately on the course exams.

**2. Civic Knowledge and Engagement, Intercultural Knowledge and Competence, Foundation and Skills for Lifelong Learning:** The development of analytical skills and quantitative literacy that the course promotes prepare the students not only for the examination questions where they must display those skills but for every day discourse and assessment of public policy. The explicit treatment of multiple countries, which for sound reasons (that students are expected to be able to address in discussion and examinations) pursue different international economic policies provide a key to intercultural differences as different objectives. The analytical and quantitative skills assessed on the

examinations provide the foundation for lifelong analysis of the public policy issues citizens address throughout their lives in a democracy.

**Prerequisite:** ECON 2010 and 2020 (or ECON 1010 and instructor's consent);

**QIIR:** Fulfills Quantitative Intensive & International Requirement (QIIR).

**Teaching Methods:** Regular Lectures and Discussions.

**Text:** International Economics – Theory and Policy, 10th edition by Paul Krugman, Maurice Obstfeld and Marc Melitz.

**Chapters Covered:** 1-3, 5, 7-8, 9-12, 13-15, 18, 19-22. (We will probably skip a few topics from chapters 9-12 and chapters 19-22).

**Canvas:** I will post lecture slides on Canvas. Other reading material will also be uploaded on Canvas.

**Canvas email:** All major announcements will be made through Canvas email. All students are expected to read these announcements regularly. The students may get in touch with me either via Canvas email or at [kartik.verma@utah.edu](mailto:kartik.verma@utah.edu)

**Grading and Exam Dates:**

Assignments (5 in total - **Best 4** count towards the final grade): **50% of the grade.**

Assignments may be submitted during class hours or electronically on Canvas email or at [kartik.verma@utah.edu](mailto:kartik.verma@utah.edu).

(see below for assignment schedule)

**Midterm exam:** (Tuesday, October 7th, 2014. 10:45 am – 12:05 pm)

**Final exam:** (Wednesday, December 17th, 2014. 10:30 am – 12:30 pm)

The two exams will account for **50% of the grade** (25 % each).

Both the midterm and the final exam are “closed notes and in-class”.

The final exam will be non-cumulative.

The exams will include objective-type questions, short-answer questions as well as longer essay-type questions.

**Grading Scale:**

A  $\geq$  90, 83  $\leq$  A- < 90,

76  $\leq$  B+ < 83, 69  $\leq$  B < 76, 62  $\leq$  B- < 69,

55  $\leq$  C+ < 62, 48  $\leq$  C < 55, 41  $\leq$  C- < 48,

$34 \leq D+ < 41$ ,  $27 \leq D < 34$ ,  $20 \leq D- < 27$ ,  
 $E < 20$ .

**Course Schedule:**

	<b>Topic</b>	<b>Reading</b>
Week 1 – 6	Part 1: International Trade Theory	Chapters 2-3, 5, 7-8
October 2nd, 2014	Review for Midterm Exam	
October 7th, 2014	Midterm Exam	
Week 7 – 8	Part 2: International Trade Policy	Chapters 9-12
Week 9 – 15	Part 3: Exchange Rates and Open-Economy Macroeconomics	Chapters 13-15, 18
	Part 4: International Macroeconomic Policy	Chapters 19-22
December 11th, 2014	Review for Final Exam	
December 17th, 2014	Final Examination	

**Assignment Schedule (tentative):**

	<b>Assignment Handed Out</b>	<b>Assignment Due</b>
Assignment 1	August 28	September 11
Assignment 2	September 11	September 25
Assignment 3 (Essay)	October 21 (tentative)	December 11 (tentative)
Assignment 4	November 4	November 20
Assignment 5	November 20	December 4

**Statement on Equal Access:**

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 (CDS), 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.