

The World Economy: Introduction

Jichun Si

September 6, 2015

Self-Introduction

- ▶ Name: Jichun Si (司继春), also 慧航
- ▶ Email: si.jichun@outlook.com
- ▶ Web: <http://www.sijichun.pro>
- ▶ Office hour: TBD

Class Introduction

Main focus: key features of the global economic environment:

- ▶ Trade
- ▶ International payments
- ▶ Exchange rates
- ▶ Economies undergoing changes

Class Introduction

Upon completion, you should be able to:

- ▶ Explain international trade.
- ▶ Explain the role of trade organizations.
- ▶ Analyze the balance of payments and exchange rate regime.
- ▶ Evaluate world economies.

Outcome 1

- ▶ Trade theory—free trade, absolute and comparative advantages;
- ▶ The concept and case for protectionism, with the emphasis on barriers to international trade, i.e. tariff and non tariff;
- ▶ The World Trade Organization and its regulation of free trade;
- ▶ Trading blocs, such as EU, NAFTA, and ASEAN.

Outcome 2

- ▶ Structure of the UK balance of payments account
 - ▶ current account
 - ▶ capital account
 - ▶ financial account
 - ▶ international investment position;
- ▶ Recent trends in the UK balance of payments account;
- ▶ The relationship between exchange rate and the balance of payments;
- ▶ Floating and fixed exchange rates;
- ▶ The single currency and the UK;
- ▶ Effects of exchange rates on economical agents;

Outcome 3

- ▶ Characteristics of NICs (Newly Industrialized Countries)
- ▶ Current issues facing NICs
- ▶ Characteristics of LDCs (Less Developed Countries)
- ▶ Current issues facing LDCs
- ▶ The impacts of multinationals in NICs and LDCs

Assessment

- ▶ Report – outcome 1, 2, 3
- ▶ Investigative approach to research
- ▶ Evidence may be found in newspaper, journals, internet or other sources.
- ▶ When appropriate, recent or current materials are preferred.
- ▶ Report length should not be excessive. Word count significantly exceeds average report length will result in Reassessment at teacher's discretion.
- ▶ Please attach reference (mandatory) and other supporting materials if applicable

Assessment

Academic integrity issues include, but not limited to:

- ▶ Plagiarism
- ▶ Collusion
- ▶ Copy
- ▶ Soliciting help
- ▶ Download from essay bank(s) online
- ▶ Purchase essay
- ▶ Lack of reference

Assessment

If the number of the candidate' satisfied responses is:

- ▶ between 0 and 6, get “Reassessment”;
- ▶ between 7 and 13, get “Rework”;
- ▶ all of the 14 topics, get “Pass”

Assessment

- ▶ Pass: 85 ± 5
- ▶ Rework: 75 ± 5
- ▶ Reassessment: 65 ± 5
- ▶ 毕前: 60 ± 5

Review of Basic Concepts in Economics

- ▶ opportunity cost
- ▶ productivity (production function)
- ▶ national accounts:
 - ▶ GDP/GNP/PDI
 - ▶ Consumption/Investment
 - ▶ Public expenditure
 - ▶ Export/Import