

Econ 231: Introduction to Global Trade and Finance

Oxford College of Emory University

TR 11:50 a.m. – 1:30 p.m.
Hoke O'Kelley Library 230
Fall 2017

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Office Hours: M 11:00 a.m. – 12:30 p.m.
R 10:30 a.m. – 11:30 a.m.
or by appointment

Course Description

This course explores the theory and empirical realities of international trade flows, commercial policies, and international finance. The material for this course will be divided into two main sections. In the first part of the course, we will discuss international institutions as well as the theory of international trade. Policies such as quotas, tariffs, common markets and their restraints on trade in the domestic and world economy will be examined, with a particular emphasis on the impact to welfare. In the second part of the course, we will integrate the monetary sphere by covering balance of payments, exchange rates, and internationally mobile financial capital. We will often refer to mainstream coverage of the economy in order to challenge our understandings of the course material.

Course Goals

Our goal is not only to learn facts and theories about international trade and finance, but also to analyze and evaluate different ideas, arguments, and points of view. To achieve this goal, by the end of the course students will be able to:

1. Understand basic principles and theories of international trade.
2. Apply these trade models to explain patterns of international trade in goods and services.
3. Describe historical background and evaluate strategic trade policies from the perspective of nations
4. Evaluate ideas, arguments, and points of view.
5. Present and defend arguments orally.

Textbook, Materials and Readings

James Gerber, *International Economics*, 7th ed., Pearson Education (Addison-Wesley), with MyEconLab access.

On-line readings will be posted on the Canvas course site.

Grading Policies

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|----------------------------|-----|
| Homework | 10% |
| Reading Responses | 10% |
| Exam 1 | 20% |
| Exam 2 | 20% |
| Country Project | 30% |
| Paper | |
| Presentation | |
| Peer Evaluations | |
| Participation & Attendance | 10% |

Reading & Homework

I expect that all assigned reading will be done BEFORE class. For many of the readings, I will post questions to guide your reading and you are expected to bring your responses to class, as they are a part of your grade. These are the basis for much of our in class discussion.

There will be questions from the reading on your exams.

Homework will be assigned on MyEconLab. Missed homework cannot be made up. The lowest homework grade will be dropped. You can talk to your classmates about questions but please make sure that you understand submitted answers. You usually have three tries for each question.

Country Project

This semester-long project is designed to enable you to apply the trade and finance theory and discussions we have in class to a country that is of interest to you (not the U.S.). More details and a rubric for this project will be provided and posted on the course Canvas site.

Final Course Grades

Final course grades will be based on a +/- system. Letter course grades are as follows:

A: 100-94, A-: 93-90, B+: 89-87, B: 86-84, B-: 83-80, C+: 79-77, C: 76-74, C-: 73-70, D+: 69-67, D: 66-60, F: 59-0.

College & Course Policies

Honor Code

We are a community of scholars and therefore academic dishonesty is not tolerated. Your name on any submitted work shall indicate you have neither given nor received unauthorized information or assistance, nor have you condoned the giving or receiving of unauthorized information or assistance by others. As a student at Oxford College of Emory University you have agreed to abide by the honor pledge and uphold the Honor Code. For

additional information please see: <http://oxford.emory.edu/catalog/regulations/honor-code.html>.

The usual penalty for violations of the honor code is an F in this course.

Communication & Attendance Policy

You are responsible for any announcements or assignments made in class. Homework, class documents and any additional weekly readings (not in the main textbook) will be posted on Canvas. Unless specifically told otherwise, no electronic devices are to be used during the course.

Regular attendance and active participation in class are essential parts of the learning process. If you do miss class, it is your responsibility to obtain missed lecture notes and turn in all assignments on time. Attendance will be checked randomly and is part of your grade. If you miss an examination, only absences due to medical or family emergencies (for example, you are in the hospital) are valid. You will need to present written evidence of your illness or family emergency. In such cases where a valid excuse has been provided, the weight of the missed examination will be shifted to the final exam. You cannot change the time of your final exam because of travel plans, vacation plans, job opportunities, or having more than one final exam on one day.¹ Any missed exam without a valid excuse will be given a zero.

Students with Accommodations

The Office of Accessibility Services (OAS) works with students who have disabilities to provide reasonable accommodations. In order to receive consideration for reasonable accommodations, students must contact OAS and complete the registration process. Faculty may not provide disability accommodations until an accommodation letter has been processed; accommodations are not retroactive. Students registered with OAS who receive a letter outlining specific academic accommodations are strongly encouraged to coordinate a meeting time with me via email (teresa.romano@emory.edu) to discuss a protocol to implement the accommodations as needed throughout the semester. This meeting should occur as early in the semester as possible. Contact OAS for more information at (770) 784-4690 or oas_oxford@emory.edu. Additional information is available at the OAS website at <http://equityandinclusion.emory.edu/access/students/index.html>

Student Athletes & Religious Holidays

If you will miss class due to athletic commitments or for a religious holiday, please let me know within the first two weeks of the semester; waiting longer may compromise my ability to extend satisfactory arrangements. If you need guidance negotiating your needs related to a religious holiday, the College Chaplain, Rev. Lyn Pace, ppace@emory.edu, Candler Hall 202, is willing and available to help. Please be aware that Rev. Pace is not tasked with excusing students from classes or writing excuses for students to take to their professors. Emory's official list of religious holidays may be found at http://www.religiouslife.emory.edu/faith_traditions/holidays.html.

¹ If you have three exams on the same day, please let me know and we can work to reschedule your exam during the conflict exam period (Monday December 12th from 7-10pm).

Course Schedule (tentative*)

I. Introduction & Institutions Weeks 1 – 2 (Aug. 23 – Sep. 1)

The United States in a Global Economy – Ch. 1
International Economic Institutions Since World War II – Ch. 2
Country Project: Part 1 due – Aug. 31

II. International Trade Weeks 3 – 8 (Sep. 4 – Oct. 13)

Labor Day – Sep. 4
Comparative Advantage and the Gains from Trade – Ch. 3
Guest Lecture: Jay Fraser 880x – Sep. 12
Comparative Advantage and Factor Endowments – Ch. 4
Beyond Comparative Advantage – Ch. 5
Country Project: Part 2 due – Sep. 25
The Theory of Tariffs and Quotas – Ch. 6
Commercial Policy – Ch. 7
Fall Break – Oct. 10
Country Project: Part 3 due – Oct. 12
Current Discussions in International Trade Policy

III. International Finance Weeks 9 – 14 (Oct. 16 – Nov. 24)

Exam 1 – Oct. 17
Trade and Balance of Payments – Ch. 9
Exchange Rate and Exchange Rate Systems – Ch. 10
Open Economy Macroeconomics – Ch. 11
Country Project: Part 4 due – Nov. 16
International Financial Crises – Ch. 12
Thanksgiving Break – Nov. 23

IV. Student Presentations Week 15 – 16 (Nov. 27 – Dec. 5)

Country Project: Final paper due – Dec. 5

Exam 2 – Dec. 8, 9-11 a.m. (final exam period)

* This syllabus is tentative and the instructor reserves the right to make any changes during the course as deemed necessary. These might include, but are not restricted to, addition or deletion of readings, assignments and changes in the schedule.