

The George Washington University
ECON 6280: Survey of International Economics
Session II – Summer 2020

As an accommodation in light of the GW's COVID-19 Policy, this course will be taught online in Summer 2020.

Instructor Information

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Office Hours on WebEx: Thursday 4:00 - 6:00 pm or by appointment via email

Office Hours Link (via Cicso WebEx): <https://gwu.webex.com/meet/jeffkuo>

Class Information

Dates: June 29, 2020 – August 9, 2020 (Session II, Summer 2020)

Time: Monday and Wednesday, 6:10 - 8:30 pm

Classroom: Online via Blackboard Collaborate

Classroom: Via Blackboard -> Tools -> Blackboard Collaborate Ultra

Course Description

This is a one-semester, graduate-level summer course of international economics. It is composed of two sub-fields in economics, International Trade and International Finance (a.k.a. International Macroeconomics or Open-market Economics). In each lecture, we will be discussing a topic that covers both the neoclassical theories and their modern counterparts. Following the conventions and the development of this field, we will start by introducing classical International Trade theories and topics for the first part of the course. We will turn our attention to the determination of the exchange rate and issues on international finance and open-market macroeconomics. This course is primarily designed for the master students of Elliott School or Applied Economics, who plan to fulfill the elective course requirement and want to take a glance at the modern theory of international trade and international finance. Though all students interested in the topics of international economics are welcome. Since this is a six-week intensive course, the course will be on a fast-tempo. Due to the highly accumulative course materials, students are encouraged to attend all the lectures and keep up with the course materials timely. Cramming before exams or rushing to meet deadlines does not seem to be the norm to succeed.

Course Prerequisites

ECON 1011 Principles of Microeconomics & ECON 1012 Principles of Macroeconomics

The knowledge mentioned in ECON 1011 & ECON 1012 will be presumed known and proficient, which will also frequently show up throughout the courses. Having more background in intermediate microeconomics, intermediate macroeconomics, mathematical analysis, or statistics might help you understand the materials, but they are not required.

Learning Objectives

After this course, students will be able to utilize basic economic models to analyze the effects on international trade policies, from the perspectives of both governments and individuals, under different contexts and assumptions. More so, the trade models will be expanded to analyze the impact of capital flows and migration. Students will also be capable of understanding the logic behind the inter-governmental policies. On the other hand, students will have a sense of determining the exchange rate in the international capital market, how openness to the global trade market affects the effectiveness of the fiscal and monetary policy, and some empirical background of current account related puzzles. Finally, we will discuss the comparison

between flexible and fixed exchange regimes and whether a country is better off joining a currency union.

Main Reference

The textbook is the fourth edition of *International Economics*, authored by Robert C. Feenstra and Alan M. Taylor, henceforth, F & T. International edition or older edition (i.e., 3rd edition) are acceptable. About 50% - 60% of the class discussion will accord with this book. The rest will be drawn from references posted on Blackboard.

Grading

The course grade is determined by the following components:

International Trade	(40%)	International Finance	(40%)
Homework	15%	Homework	15%
Midterm	25%	Final	25%
Policy Brief		20%	

Letter grade will be assigned according to the grading policy of the Graduate School of Columbian College of Arts & Sciences (CCAS). A standard curve scheme could be applied based on overall class performance.

Homework (x2; each = 10%; total = 20%)

There will be two homework throughout this course. Either of the homework will be due at 6:10 pm, Wednesday of the exam week. The questions will be posted and updated after the specific progress of the lecture. Students are encouraged to work in groups, but each must submit their personal soft copy via email or Blackboard. If your handwriting is not easily recognizable, please consider typing out your answer.

Exams (x2; each = 25%; total = 50%)

An instruction of the policy reports will be posted. There are two take-home exams. Students should work on their own, follow the instructions, and submit the soft copy (via email or Blackboard) of their answers by the given deadline. Discussion of the contents of exams with other person is strictly prohibited. If you have any problem regarding the exam questions, you should only directly email me (jeffkuo@gwu.edu).

Other GW's Code of Academic Integrity could be found [here](#).

★ The midterm will only cover the International Trade part, which will be administrated at the end of the first half of the course. Tentatively, the midterm of International Trade will be posted on July 17, Friday noon. Students will have 72 hours (3 days) until July 20, Monday noon, to work on their own answers.

★ The final will not be accumulative, and will only cover the International Finance part. Ideally, the final will be administrated on the last weekend of the course. Tentatively, the midterm of International Trade will be posted on August 7, Friday noon. Students will have 72 hours (3 days) until August 10, Monday noon, to work on their own answers. For more details of the exams, please refer to the following section of the tentative course schedule.

Given we have the online format of the course along with the take-home exams, to keep the fairness of the academic assessment of the students, there will be no makeup exam, even in the case of an emergency. A missed exam counts as a zero unless a valid excuse from a physician or the Dean's Office is presented to your instructor. With an acceptable written excuse, a missed exam score will be replaced with the percentage earned on the other exam.

Policy Brief / Very Short Policy Report (x1; 20%)

As indicated in the name "very short," the length of this policy report should not be longer than two pages of letter-size paper.

A policy brief is a concise summary of a particular issue, the policy options to deal with it, and some recommendations on the best option. This assignment aims at simulating a student's future job as an economist. When crafting this policy report, either on the topic of international trade, international finance, or both, a students should treat themselves as the policy consultants at the government agency or international organization. For instance, those institutions could be the research department of US Department of States, IMF, World Bank, WTO, UN, or OECD, which usually regulate the policies of trade and international finance that might affect the welfare of citizens in multi-nations.

An instruction of the policy reports will be posted soon on the Blackboard.

Tentative Course Schedule

Lecture	Topics	F&T (4th)	Dates
Trade 1	Trade and Global Economy Global Economy, History of Trade Field, Simple Gravity Model	Ch.1	Mon, June 29
Trade 2	Neoclassical Theory 1: Trade and Technology Ricardian Model; Eaton-Kortum Modern Ricardian Model	Ch.2	Wed, July 1
Trade 3	Neoclassical Theory 2: Trade and Resources Heckscher-Ohlin Model; Movement of Labor and Capital	Ch.4 & 5-1	Mon, July 6
Trade 4	New Trade Theory Trade Under Monopolistic Competition and IRTS; Krugman Model	Ch.6	Wed, July 8
Trade 5	Trade Policies Import Tariffs and Quotas Under Perfect and Imperfect Competition	Ch. 8 & 9	Mon, July 13
Trade 6	Other Trade-Related Topics Foreign Direct Investment, Trade Agreement, Offshoring MIDTERM (July 17-20) & HOMEWORK 1 DUE (July 15)	Ch.5-2 Ch.7 & 11	Wed, July 15
Finance 1	Exchange Rate and Foreign Exchange	Ch.12 & 13	Mon, July 20
Finance 2	Exchange Rate: Monetary Approach	Ch.14	Wed, July 22
Finance 3	National Accounts and Balance of Payments	Ch.16 & 17	Mon, July 27
Finance 4	Output, Exchange Rates and Macroeconomic Policies	Ch.18	Wed, July 29
Finance 5	Exchange Rate Regime: Fixed v.s. Floating POLICY BRIEF DUE (August 3)	Ch.19	Mon, Aug 3
Finance 6	Common Currency, Crisis, and Review FINAL (August 6-9) & HOMEWORK 2 DUE (August 5)	Ch.20	Wed, Aug 5

Average Learning Time

According to CCAS Graduate Student Handbook,

3-credit, 6-week lecture-based course Summer courses are twice as intensive as those held during the academic year. Over six weeks, students will spend 6 hours (360 minutes) per week in class and 12.75 hours (765 minutes) per week doing independent learning. This amount to 36 hours of class time and 76.5 hours out-of-class doing coursework. Instructional time includes a 2-hour final exam.

Other University's Policies

University Policy on Religious Holidays

1. Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance.
2. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations.
3. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

Academic Integrity

I personally support the GW Code of Academic Integrity.

It states: "Academic dishonesty is defined as cheating of any kind, including misrepresenting one's own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information." Please note that allowing another student to copy your work is defined as cheating under the Academic Integrity Code. Common examples of academically dishonest behavior include, but are not limited to 1. Cheating, 2. Fabrication, 3. Plagiarism, 4. Falsification and forgery of University academic documents, and 5. Facilitating academic dishonesty.

Sanctions range from failure of the assignment to failure of the course to suspension or expulsion from the University. For the remainder of the code, see <https://tinyurl.com/y9utqt6v>. All students need to be familiar with GW's Code of Academic Integrity.

Item 3 in Section 1 of Article II of the Code deals with plagiarism. "Plagiarism - intentionally representing the words, ideas, or sequence of ideas of another as one's own in any academic exercise; failure to attribute any of the following: quotations, paraphrases, or borrowed information." Plagiarism is a serious matter both inside and outside academia. Students are responsible for becoming familiar with the different forms that plagiarism can take. Ignorance doesn't exempt students from being penalized for plagiarism. It is essential to educate yourself about what constitutes plagiarism before writing an essay for a take-home exam, a term paper, a dissertation, or a report in the workplace. Students have failed the course or been expelled because of plagiarism. You can find a good overview of plagiarism and how to avoid it at <http://widstudents.wordpress.com/tag/plagiarism/>.

Support for Students Outside the Classroom

Disability Support Services (DSS)

Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in Rome Hall, 801 22nd St., NW, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information, please refer to <https://disabilitysupport.gwu.edu/>. Students must arrange with the DSS office well in advance of needing the service.

University Mental Health Service

The University's Mental Health Services offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include crisis and emergency mental health consultations, confidential assessment, counseling services (individual and small group), and referrals. For additional information, see: <https://healthcenter.gwu.edu/counseling-and-psychological-services>.

Security

In the case of an emergency, if at all possible, the class should shelter in place. If the building that the class is in is affected, follow the evacuation procedures for the building. After the evacuation, seek shelter at a predetermined rendezvous location.