Course Description and Scope:
In this course, you will learn theories, policies, and institutions of international trade and finance. The purpose of this course is to construct an analytical framework for exploring international economic problems, to gain a fuller appreciation of the economic interrelationships that link nations and people, and to use this opportunity to become genuinely better informed about the world surrounding us. The topics include causes and consequences of trade, effects of tariffs and quotas, aspects of foreign investment, etc. The course extensively uses graphs, formulas, and algebra. You will be given problem sets that will be instrumental in your preparation for exams. I will cover all necessary material to complete these problem sets and prepare for exams in class.

Recommended Text:
- International Economics 8th ed. by Steven Husted and Michael Melvin.
- Study Guide to accompany International Economics by Steven Husted and Michael Melvin

Blackboard:
The class website will be available through the Blackboard server at http://blackboard.sdsu.edu/. When you enroll in this class, you are automatically enrolled in the class Blackboard website. Announcements, class notes, homework assignments and other materials will be made available through Blackboard.

Course Requirements:
Your grade for this course will depend on your successful completion of all assignments and exams. The weights are assigned as follow:

- Homework 20%
- Attendance 5%
- Group Project 15%
- In-class Exam 1 20%
- In-class Exam 2 20%
- In-class Exam 3 20%
- (Remedial Exam 20%)

There are three in-class exams. Each in-class exam is worth 20% of your grade. There will be no make-ups. You have a chance to drop one of your in-class exams and take the remedial comprehensive exam in order to replace the one that you drop. I will only substitute your old grade for the new one if you have improved your score. The remedial exam is comprehensive and worth 20% as well. If you miss an exam for any reason, that will count as the exam that you drop and therefore, you must take the remedial comprehensive exam. You must take your exam at the scheduled time and place. Note that the exam dates below are not tentative – exams will be given in class on the days listed.
Homework:
Homework will be assigned throughout the semester via Blackboard. It is a vital part of learning to use tools developed in class and its applications. Be sure to check the due date and make sure to start the homework early to leave room for computer or internet error as I will not accept the late homework. You are encouraged to work together, but your answer must be written individually to be sure that you understand, and get credit for your homework.

Group Project:
Form a group of 5-7 students and prepare a presentation on topics related to the materials in the class (suggested topics are as listed below). The presentation will be graded based on the contents, the oral and visual presentation of its content. Each member of the group will have to participate in the presentation and it is up to the group to choose how. Each group will have to submit lists of the members of the group along with the topic you will be working on by February 16, 2012. The first draft of the presentation has to be submitted to me by March 1, 2012.

The schedule dates for presentations are listed in the Course Outline. Each group will be given 10 minutes for presentation. Every group needs to submit the final presentation file (such as power point slides) on the first day of the presentation (March 15, 2012). The objectives of the presentation are as follow: (1) to have a better understanding of international economics, (2) to get to know some of your classmates and practice working in a group environment, (3) to familiarize with presenting your work to others and being evaluated when doing so.

Potential topics:
- Preferential Trade Agreements: pick one of the Free Trade Area or Custom Union to describe its operation, benefits and costs to members and non-members.
- Environmental Issues and WTO.
- U.S. Sugar Quota
- U.S. Automobile VER
- The Tragedy of the Commons
- International Agreements on Pollution (Kyoto Protocol)
- Nontariff Barriers

Late Policy:
Homework will be collected in class on the due date posted on the blackboard. Late homework will not be accepted for any reason. If you know that you will not be in class to turn in the homework, you can submit them early. You will need to hand in your homework to me in person. It is your responsibility to make sure that I receive the homework. Otherwise, it will be recorded as “not turn in”. All of the assignments will be returned to you at the end of the semester. If you would like to have them to study for the test, you should make copies for yourself.

Student Learning Outcomes:
- Develop the ability to explain core international economic terms, concepts and theories.
  - Identify and discuss the key concepts underlying international trade and international financial flows.
  - Explain how the classical and Heckscher-Ohlin models of trade work, their advantages and disadvantages, and use them to explain international trade flows.
  - Discuss various post-Heckscher-Ohlin trade theories that relax standard assumptions.
  - Examine causes and consequences of international factor movements, including both capital movements and labor flows.
  - Understand how balance of payments is recorded as well as the approaches to the balance of payments and to exchange rate determination.
- Demonstrate the ability to employ the “economic way of thinking”
Explain the contribution of economics to addressing market failures such as international conflict.

Identify welfare effects of international trade policy in a small country as well as a large country setting.

Analyze the welfare effects of economic integration.

Classroom Conduct:
Please turn off cell phones before coming to class or at least leave it on the silent mode. The ring not only disrupts the flow of the class but also disturb your fellow classmates. Any student whose cell phone activates with sound during the class will be asked to leave the classroom immediately. Arriving late, leaving early, and talking during class can be disruptive to the instructor and to other students and should be minimized. Any form of behavior deemed to be inappropriate to the instructor will not be tolerated. If necessary, the matter will be turned over to the Judicial Procedures Office for appropriate disciplinary action.

Honor Policy:
Cheating of any form (which includes plagiarism) will not be tolerated. Evidence of any academic dishonesty by a student will result in an automatic “F” as that student’s grade for the class. Any evidence will also be promptly reported to the Judicial Procedures Office.

Students with Disabilities:
If you need any special accommodations because of a disability, please submit to me a letter from the Disabled Student Services (DSS) early in the semester so that your needs may be addressed. For more information on this, please visit the DSS website.
http://www.sa.sdsu.edu/dss/dss_home.html

Helpful information:
After covering each chapter, you are strongly encouraged to review the chapter, do the exercise in study guide and meet me in my office hours if you have questions.

Tips on Taking the Tests
✔ Show work. It will help you get partial credit.
✔ Label graphs clearly, especially the axes, prices, and quantities.
✔ Never answer a question simply with a “yes” or “no”, give explanations to your answer.
✔ Use pencil/rulers and write legibly. You may use different color pens on graph to clarify the picture.

The Day of the Tests
⊙ Bring your own calculator if you need to use one. (Using cell phone as a calculator is not allowed.)
⊙ Show up early for seating assignment.
⊙ You cannot leave the room for the first 20 minutes of the test.
⊙ Test will not be given to a student if someone already leaves the room.
⊙ Please use the bathroom before entering the class. I will not allow for a bathroom break during the test.
Topics Included:
1. Introduction and Review
   - Introduction to International Trade Lecture Note 1
   - Tools of Analysis for Trade Models Chapter 2

2. Trade in Goods
   - The Classical (Ricardian) Trade Model Chapter 3
   - The Hecksher-Ohlin Model Chapter 4

******************In-Class Exam 1 (Tuesday, February 21st, 2012)******************
   - Alternative Theories of Trade Chapter 5
   - Tariffs Chapter 6
   - Non-Tariff Barriers Chapter 7
   - Preferential Trade Arrangements Chapter 9

3. Trade in Factors
   - International Labor and Capital Migration Chapter 10

******************In-Class Exam 2 (Thursday, April 5th, 2012)******************

4. International Finance
   - Balance of Payments Chapter 12
   - Foreign Exchange Markets Chapter 13
   - Purchasing Power Parity Chapter 14
   - International Monetary Standard Chapter 19

******************In-Class Exam 3 (Thursday, May 3rd, 2012)******************

******************Remedial Exam (Tuesday, May 15th, 2012)******************
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