

Economics 3500-001 Syllabus

International Economics **Fall 2021, Mon./Wed., 3:00 - 4:20 pm, Credit Hours: 3**

Instructor – C. Jean Arment, PhD

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Office Hours – Individual zoom meetings can be arranged with the instructor.

[Note to students: This is an abbreviated version of our class Syllabus containing mainly the *tentative* class schedule, summary of assignments, and the grading plan in order to give you an idea of what to expect in the course. The more complete Syllabus, including class and University policies, is available on the class Canvas website.]

Pre-requisites – Econ 2010 and 2020

Course Overview

This course presents a theoretically sophisticated (upper level undergraduate) treatment of trade theory, trade policy, and international macroeconomics, as well as a number of current issues relating to the global economy. Most centrally, we will address the determinants of trade patterns; become familiar with classical and neoclassical trade theory models, as well as their limitations; examine alternative trade policies (tariffs, quotas, subsidies, etc.) and their uses; and set current trade and trade policy within a historical context. Our study of international macroeconomics will provide introductions to national income accounting, exchange rate determination and policy, interest rates and international finance. Additionally, as class interests and time permit, we will examine issues relating to current challenges of the global economy (Pandemics? Trade wars? Migration? Climate change? Inequality?)

Course Objectives

In this course, students will be prepared to:

1. Articulate both the benefits and the risks, historically and currently, of international economic interdependence amongst nations.
2. Understand, describe and critically discuss major theories of international trade, relevant data patterns and major policy issues.
3. Distinguish between a number of trade policy institutions and instruments and their various uses.
4. Understand, describe and critically discuss the co-determination and interaction of exchange rates, interest rates and output in an open macroeconomy, relevant data patterns and major policy issues in international macroeconomics.
5. Apply knowledge gained in the course to current issues in international trade and economic globalization.

Required Text: Van den Berg, H. 2016. *International Economics: A Heterodox Approach*. 3rd ed. Routledge. (Designated as VdB in the class schedule below.) Please be aware that you use older editions at your own risk! (While it appears that most of the core theory and models remain essentially unchanged, be aware, for example, that the Syllabus will not provide page references to older editions.)

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Tentative Class Schedule

Week/Date	Weekly Content	Readings/Assignments	Assignment Due
I. Introduction: The Benefits and Dangers of Interconnectedness			
	Weekly Subjects	Readings	Assignments
Week 1	Introduction to Class and Syllabus Interdependence: On the Benefits and the Risks of International Interconnectedness	Van den Berg, <i>International Economics: A Heterodox Approach</i> . Ch. 1, pp 3-20	Discussion Board: Interconnectedness in Today's World Economy
II. Brief History of International Trade			
Week 2	Trade History I: Ancient Trade, Mercantilism and Multinationals		
	Trade Goods and Routes of Antiquity Medieval Trade Systems and the Rise of Mercantilism, Monopolies and Multinationals	Bernstein, <i>A Splendid Exchange</i> , Ch 8. "A World Encompassed"	1. Bernstein Reading Response Form 2. Discussion Board Group Case Study 1 Assigned: Early Multinational Corporations
Week 3	Trade History II: Free Trade vs. Protectionism		
	Trade in the Colonial Era 19 th Century Globalization	Andreas, <i>Smuggler Nation: How Illicit Trade Made America</i> , Ch. 1 & 2. Selected pages. Rodrik, <i>The Globalization Paradox</i> , Ch.2, pp. 24-34	-Reading Response Form & Discussion Board (both readings) Group Case Study 1 due Quiz 1
III. International Trade Theory			
	International Trade Theory		
Week 4	World Trade Overview Intro to Trade Models and Comparative Advantage	VdB Ch. 1 Worldly Philosophers, p 82-88 VdB 3 rd Ed. Ch 3. Section 3.2.4	Case Study Project 2: Trade Data Disc Bd In-Class Comp Adv assign Quiz 2
Week 5	The Heckscher-Ohlin Model The 2-Country Model, Factor Effects and Distributional Gains/Losses from Trade	VdB 3 rd Ed. Ch 3. Intro and Sections 3.1, 3.2.1, 3.2.2 and 3.2.3 VdB 3 rd Ed. Ch 3. Section 3.3	Case Study 2 due Quiz 3
Week 6	H-O Model Extensions and Alternatives; The Gravity Equation	VdB 3 rd Ed. Ch 3. Section 3.4 and Ch 4. Intro and Sections 4.1 and 4.2	

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	H-O Model Critiques: Factor Effects, Distributional Consequences, and the Costs of Adjustment	VdB 3 rd Ed. Ch 4. Section 4.2	Quiz 4
IV. International Trade Policy: Instruments and Institutions			
Week 7	Midterm Exam Trade Policy Instruments	VdB 3 rd Ed. Ch. 8. Sections: Ch 8 Intro, 8.1 Intro, 8.1.1, 8.1.4 and 8.1.7.	Midterm I Assign Case Study 3-Trade Policy Quiz 5
Week 8	FALL BREAK		
Week 9	Trade Policy Institutions The Bretton Woods Institutions GATT to the WTO to the Doha Round	VdB Ch.16, Sections 16.1-16.1.4 Real World Globalization, pp 107-111 On GATT to Doha: VdB Ch 9 For 3 rd ed.: Sections 9.4 (you can skip 9.4.4), 9.5, 9.6 and 9.7.1.	Case Study 3 Due Quiz 6
V. International Macroeconomics			
Week 10	National Income Accounting and Balance of Payments	VdB - TBA	Quiz 7
Week 11	Money, Interest and Exchange Rates	VdB - TBA	Quiz 8
Week 12	Financial Globalization: Opportunity and Crisis Midterm Exam	VdB - TBA	Assign Case Study 4-The New Silk Road Quiz 9 Midterm 2
VI. The Political Economy of Globalization			
Week 13	Globalization and its Discontents Macroeconomic Policies and Underdevelopment in the Third World The Bretton Woods Policies and Economic Development in the Third World Winners and Losers in the Global Economy: IMF and WB Policies in the Third World	Stiglitz, <i>Globalization & Its Discontents</i> , Ch 1. [See Course Reserves] Chang, <i>Kicking Away the Ladder</i> , Ch. 2, pp 13-32 [See Course Reserves] Finnegan, "The Economics of Empire," <i>Harper's Magazine</i>	Reading Response Form and Discussion Bd. Case Study 4 due

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Week 14	Current Global Issues: Inequality – History and Current Trends Climate Change and International Food Policy Trade and Pandemics	Piketty, T. <i>Capital and Ideology</i> , Ch. 1. Readings TBA	Individual and Group Work on Final Projects
Week 15	Current Global Issues: Looking to the Future: Globalism, International Institutions, and the Potential for Accord	Viewing: Video on long term effects of covid-19 on the future of globalization Reading: Stiglitz, J., <i>Making Globalization Work</i> , Ch. 1. “Another World Is Possible” OR: Piketty, T. <i>Capital and Ideology</i> , Selection TBA)	Individual and Group Work on Final Projects
Week 16	Presentation of Final Projects on Current Global Issues		

Grading Policy

Student participation in the course will be central to accomplishing our goals for this class. Student discussion groups will be formed early in the course and both individual and group assignments will make up important portions of student grades. Grades will be based on the following:

1. Reading Response, Discussion Board, and Miscellaneous Short Assignments: (200 pts; 25% of grade)

Approximately 20 short assignments, including written Reading or Viewing Responses, Discussion Board Participations, short essays, data gathering/presentation or problem sets, will be assigned throughout the course. The Written Reading/Viewing Response consist of the completion of a form that will require responses to questions about the reading/viewing. Generally, these assignments are preparation for Discussion Board participation. Each assignment in this category is worth 10 points. The lowest 3 scores will be dropped. (In the event adjustments to the planned schedule result in fewer (or more) assignments in this category, adjustments will be made to the total.)

2. Case Studies: (80 pts each; 30% of grade)

Four case study *power point presentations* will be assigned throughout the course. The single lowest score will be dropped.

3. Quizzes: (10 pts each; 10% of grade)

Nine short on-line quizzes will be assigned, most of them based on the more technical aspects of international trade and macroeconomic theory as presented in the course textbook. The quizzes are to be considered as preparation for the two midterm exams. The single lowest score will be dropped.

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4. Midterm Exams: (60 pts each; 15% of grade)

The two Midterm Exams focus on the more technical aspects of the course; the first on Trade Theory and Instruments and the second on International Macroeconomics. Each exam will be worth 60 points, *must* be taken within the prescribed time frame allowed, and *neither score will be dropped*.

5. Final Student Policy Paper: (160 pts; 20% of grade)

CLASSROOM/UNIVERSITY POLICIES

CANVAS: We will be using Canvas extensively in the course of our study. *In particular*, students are expected to keep current with the **Instructor's Announcements** that will frequently be posted concerning class assignments, scheduling of assignments and presentations, policies, etc. We will also make frequent use of the Canvas Discussion Boards and organize our class working groups through Canvas.

[NOTE: The online Canvas Syllabus, available as the course commences, will include a much more detailed description of University Policies and Student Resources.]

CLASSROOM/UNIVERSITY POLICIES CONCERNING COVID

University leadership has urged all faculty, students, and staff to model the vaccination, testing, and masking behaviors we want to see in our campus community. (Please note that other Class/University Policies are included in the official "long-form" Class Syllabus that you will find on Canvas.)

These include:

- Vaccination
- Masking indoors
- If unvaccinated, getting weekly asymptomatic coronavirus testing

Vaccination

- Get a COVID-19 vaccination if you have not already done so. Vaccination is proving highly effective in preventing severe COVID-19 symptoms, hospitalization and death from coronavirus. Vaccination is the single best way to stop this COVID resurgence in its tracks.

- Many in the campus community already have gotten vaccinated:
 - More than 80% of U. employees
 - Over 70% of U. students
- Visit <https://mychart.med.utah.edu/>, <https://alert.utah.edu/covid/vaccine/>, or <https://www.vaccines.gov/> to schedule your vaccination.

Masking

- While masks are no longer required outside of Health Sciences facilities, UTA buses and campus shuttles, CDC guidelines now call for everyone to wear face masks indoors.

- Check the CDC website periodically for masking updates—
<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/fully-vaccinated-guidance.html>

- Treat masks like seasonal clothing (i.e. during community surges in COVID)

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transmission, masks are strongly encouraged indoors and in close groups outside).

Testing

- If you are not yet vaccinated, get weekly asymptomatic coronavirus tests. This is a helpful way to protect yourself and those around you because asymptomatic individuals can unknowingly spread the coronavirus to others.
 - o Asymptomatic testing centers are open and convenient:
 - Online scheduling
 - Saliva test (no nasal swabs)
 - Free to all students returning to campus (required for students in University housing)
 - Results often within 24 hours
 - Visit alert.utah.edu/covid/testing

- Remember: Students must self-report if they test positive for COVID-19 via this website: <https://coronavirus.utah.edu/>.

Americans with Disabilities Act (ADA) Statement

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, 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. (www.hr.utah.edu/oeo/ada/guide/aculty/)

Wellness Statement

Personal concerns such as stress, anxiety, relationship difficulties, depression, cross-cultural differences, etc., can interfere with a student's ability to succeed and thrive at the University of Utah. For helpful resources contact the Center for Student Wellness - www.wellness.utah.edu; 801-581-7776.