

## COURSE SYLLABUS

### COURSE DETAILS

Course:	ECON 3720/50 International Trade and Finance
Term/Semester:	Spring 1
ECTS:	4 ECTS
GCP Coded:	-
Prerequisites:	BUSN 2750, ECON 2020, ECON 2030
Lab fee:	None
Required reading materials:	Author: Paul Krugman, Maurice Obstfeld & Marc Melitz, Title: International Economics: Theory and Policy, latest edition Publisher: Pearson
Last update:	13. 11. 2017

### INSTRUCTOR DETAILS

Instructor:	Assoc. Prof. Dr. Nikolaos Antonakakis
<i>e-mail:</i>	nantonakakis38@webster.edu
<i>phone:</i>	Ext.: 4354
<i>office room/hours:</i>	1.04, Tuesday 11:00 – 12:30 or by appointment per e-mail

### COURSE DESCRIPTION

Please enter the official course description as found in the catalog (for undergraduate courses see: <http://www.webster.edu/catalog/current/undergraduate-catalog/courses/>; for graduate courses: <http://www.webster.edu/catalog/current/graduate-catalog/courses/> ).

You may add any additional text or description you deem necessary.

### LEARNING OUTCOMES

- The student understands the concept of comparative advantage and can apply it to interpersonal interactions, division of labor, and international transactions.
- The student can apply the Factor Proportions Theory (i.e. Heckscher-Ohlin Model) to a two-country, two-input, two-good model so as to explain the direction of trade.
- The student can describe the economic incidence of change in international trade flows both within and across countries.
- The student can describe the economic incidence of the different forms of trade restrictions (e.g. tariffs, quotas, and subsidies).
- The student can predict the effect of a change in international transactions on flexible exchange rates.
- The student can explain why fixed exchange rates, autonomous monetary policy, and free capital mobility are incompatible.
- The student can use Purchasing Power Parity, Relative Purchasing Power Parity, and Interest Rate Parity to describe appropriately, under-, and over-value exchange rates.

### GRADE BREAKDOWN

WVPU courses at the graduate or undergraduate level are never based purely on one final examination. WVPU courses combine a diverse and cumulative set of oral, written, and examinations assessments to determine final

grades. The specific distributed weight of assignments and exams vary from course to course depending on the level and discipline and oversight of the respective academic department.

Enter your breakdown here. Please review [Study and Examination Guidelines](#) Paragraph 6, for grading standards of Webster University. [Please keep in mind that this is very important to guarantee objective assessment of student work]

EVALUATION COMPONENTS (Based on 100 points):	Instructors can determine the components of evaluations. Below is just an example.
Exams: Midterm (if any): Final (if any):	<b>60</b> 30 30
Quizzes/Assignments	<b>30</b>
Participation:	<b>10</b>

## COURSE POLICIES / ADDITIONAL INFORMATION

- **Be punctual.** Arrivals more than 5 minutes after start of class are not acceptable.
- **No mobile phones.** This means really no mobile phones, even in vibrating mode. SMSing, iPading, etc. also fall in this category.
- **Be prepared.** Come ready for class having read the required materials
- **Be active.** Your opinion and experience are of great importance for everybody in class.
- **No eating in class.** Drinking is permitted for non-alcoholic beverages.
- **You can skip maximum 1 class.** Please inform your instructor well in advance.
- **Ask!** – if you would like to ask a question, do not be afraid to do so.
- **Respect** your colleagues.

Required written work, assignments, and exams: You don't have many chances for evaluation (in terms of assignments you will have to hand in). Therefore, stay on the ball, for your sake and for your grade's sake. Don't assume that missing assignment deadlines, not participating in class, or performing poorly on your exams won't hurt your grade. These will make all the difference—both in your personal learning and in the grade you earn.

1. Three quizzes each consisting of 10 multiple choice questions related to the sessions.
2. One mid-term exam lasting two hours
3. One final exam lasting two hours

## UNIVERSITY POLICIES

Students are required to inform themselves of WVPU academic policies. A full list of these policies is available on the WVPU website: <http://webster.ac.at/academic-policies>

## WEEKLY SCHEDULE

Week 1 (15-19 Jan, 2018)	<p><b>Session 1 (International Trade Theory):</b></p> <ul style="list-style-type: none"> <li>• Introduction (<b>Chapter 1</b>)</li> <li>• World Trade: An Overview (<b>Ch. 2</b>)</li> </ul> <p><b>Session 2 (International Trade Theory):</b> Labor Productivity &amp; Comparative Advantage: The Ricardian Model (<b>Ch. 3</b>)</p>
Week 2 (22-26 Jan 2018)	<p><b>Session 3 (International Trade Theory):</b></p> <ul style="list-style-type: none"> <li>• Specific Factors &amp; Income Distribution (<b>Ch. 4</b>)</li> </ul> <p><b>Session 4 (International Trade Theory):</b> Resources and Trade: The Heckscher-Ohlin Model (<b>Ch. 5</b>)</p>
Week 3 (29 Jan – 2 Feb, 2018)	<p><b>Session 5 (International Trade Theory):</b></p> <ul style="list-style-type: none"> <li>• The Standard Trade Model (<b>Ch. 6</b>)</li> <li>• External Economies of Scale and the International Location of Production (<b>Ch. 7</b>)</li> </ul> <p><b>Session 6 (International Trade Theory):</b> Firms in the Global Economy: Export Decisions, Outsourcing, and Multinational Enterprises (<b>Ch. 8</b>)</p>
Week 4 (5-9 Feb 2018)	<p><b>Session 7 (International Trade Policy):</b></p> <ul style="list-style-type: none"> <li>• <b>Quiz 1 (Ch. 6-8)</b></li> <li>• The Instruments of Trade Policy (<b>Ch. 9</b>)</li> </ul> <p><b>Session 8 (International Trade Policy):</b> The Political Economy of Trade Policy (<b>Ch. 10</b>)</p>
Week 5 (12-16 Feb 2018)	<p><b>Session 9 (International Trade Policy):</b></p> <ul style="list-style-type: none"> <li>• <b>Mid Term Exam (Ch. 1-10)</b></li> </ul> <p><b>Session 10 (Exchange Rates and Open Economy Macroeconomics):</b> National Income Accounting and the Balance of Payments (<b>Ch. 13</b>)</p>
Week 6 (19-23 Feb 2018)	<p><b>Session 11 (Exchange Rates and Open Economy Macroeconomics):</b></p> <ul style="list-style-type: none"> <li>• <b>Quiz 2 (Ch. 13)</b></li> <li>• Exchange Rates and the Foreign Exchange Market: An Asset Approach (<b>Ch. 14</b>)</li> </ul> <p><b>Session 12 (Exchange Rates and Open Economy Macroeconomics):</b> Money, Interest Rates, and Exchange Rates (<b>Ch. 15</b>)</p>
Week 7 (26 Feb – 2 Mar, 2018)	<p><b>Session 13 (Exchange Rates and Open Economy Macroeconomics):</b></p> <ul style="list-style-type: none"> <li>• <b>Quiz 3 (Ch. 14-15)</b></li> <li>• Price Levels and the Exchange Rate in the Long Run (<b>Ch. 16</b>)</li> </ul> <p><b>Session 14 (Exchange Rates and Open Economy Macroeconomics):</b> Output and the Exchange Rate in the Short Run (<b>Ch. 17</b>)</p>
Week 8 (5-9 Mar 2018)	<p><b>Session 15 (Exchange Rates and Open Economy Macroeconomics):</b></p> <ul style="list-style-type: none"> <li>• Fixed Exchange Rates and Foreign Exchange Intervention (<b>Ch. 18</b>)</li> </ul> <p><b>Session 16 (International Trade Policy):</b> <b>Final Exam (Ch. 13-18)</b></p>