

Donetsk State University of Management in Mariupol
International Economics
Syllabus

1.	Subject	International Economics
2.	Hours	60
3.	ECTS	2
4.	Lecturers	Olena Tanchyk, PhD in economics, assistant professor
5.	Frequency	autumn term 2016
6.	Type of discipline	Compulsory
6.	Target group	Bachelor Students of the Major “Economy of Enterprise”
7.	Course description	<p>The course is an introduction to international economics. It will introduce students to important theories in the analysis of international trade and international macroeconomics and finance which will help students in understanding events in the world economy and related policy issues. This course consists of two parts: (1) International Trade and (2) International Macroeconomics and Finance. In the first part of the course, international trade in goods and services are studied. Various economic forces that shape patterns of trade are covered. The following issues are investigated: why economies trade, what products they trade, who trades them, at what price and quantities they trade, and some of the benefits and costs of trade. In addition, a significant part of the course will also cover various policies that governments use to shape trade patterns among countries, and the reasons for implementing such policies. In the second part of the course, international macroeconomics and finance which is devoted to the study of large scale economic problems in interdependent economies are studied. Specifically, the economic linkages in terms of currencies, trade and capital flows between different economies are covered. The main issues include: foreign exchange markets, balance of payments, capital flows, financial crises, as well as the coordination of monetary and fiscal policies in a global economy.</p> <p>The lecture slots incorporate case studies, class discussion, video segments etc. to consider various topics from alternative angles. The key issues outlined in each of the</p>

		<p>sessions should then be developed through further study. Private study enables students to build on the knowledge gained in sessions through recourse to handout material and the recommended readings. Small group exercises are used to reinforce the learning during class.</p>
7.	Learning outcomes	<p>At the end of the course and having completed the essential reading and activities students should be able to:</p> <ul style="list-style-type: none"> - discuss and explain specific policy issues such as ‘environmentalism as protectionism’; international dumping; the choice of exchange rate regime; the desirability of free capital flows; - apply a specific framework to illustrate the connection between a variety of models and approaches. Explain the connections between Ricardian, Heckscher-Ohlin and the specific factors models in trade theory, or between the ‘monetary approach’ and the ‘asset approach’ in exchange rate theory; - explain how international economic theory has been shaped by real world events.
8.	Course content	<ol style="list-style-type: none"> 1. Classical trade theory 2. New trade — increasing returns 3. International factor mobility 4. Trade policy and gains from trade 5. Economic integration 6. Balance of payments and national income accounting 7. Monetary approach to the exchange rate 8. Currency crises 9. International monetary system
9.	Assessment	<p>final exam 40%, midterm exam 25%, homework 20%, constructive participation 5%, daily/semi-daily quizzes 10%.</p>
10.	Methods	<p>The course uses a combination of lectures, seminars with student-based activities, cases and other problem-based assignments. Both individual and group assignments are included.</p>
11.	Primary textbooks	<p>Krugman, Paul, and Obstfeld, Maurice. 2008. <i>International Economics: Theory and Policy</i>. Addison Welsey</p> <p>Chang, Ha-Joon. 2002. <i>Kicking Away the Ladder: Development Strategy in Historical Perspective</i>. London: Anthem Press</p> <p>Stiglitz, Joseph. 2002 (or 2003). <i>Globalization and Its Discontents</i>. New York: W.W. Norton & Company</p>

		<p>Shaikh, Anwar. 2003. "Globalization and the Myth of Free Trade," to be found at http://homepage.newschool.edu/~AShaikh/</p> <p>D. Salvatore, Introduction to International Economics, Singapore: John Wiley & Sons 2012 (International Student Version)</p>
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