

TEACHING PLAN FOR

- **INTERNATIONAL ECONOMICS**

1. Basic description

Name of the course: International Economics

Academic year: 2010-2011

Year: 2nd

Term: 1st

Degree / Course: Bachelor's Degree in International Business and Marketing

Code: 42101

Number of credits: 6

Total number of hours committed: 150

Teaching language: English

Lecturer: Lluís Mosella

Timetable:

GROUP 1:

Monday, 14:30 – 16:00

Tuesday, 17:45 – 19:15

Seminars - Groups 1A, 1B, 1C

1A: Friday, 14:30 – 15:30

1B: Friday, 15:30 – 16:30

1C: Friday, 16:30 – 17:30

GROUP 2:

Monday, 17:45 – 19:15

Tuesday, 14:30 – 16:00

Seminars - Groups 2A, 2B, 2C

2A: Friday, 18:00 – 19:00

2B: Friday, 19:00 – 20:00

2C: Friday, 20:00 – 21:00

OFFICE HOURS: Monday 19:30 – 20:30 and after lectures

2. Presentation of the course

Since markets are going global, it is relevant to understand the implications of such scenario on consumers, entrepreneurs, and governments. It is the purpose of this course to cover these topics, both from a theoretical and empirical point of view. Specifically, the course is divided into two blocks. The first one focuses on international trade. The second one addresses topics related to international financial issues.

3. Competences to be achieved in the course

General competences	Specific competences
<p data-bbox="325 743 702 779">Instrumental competences</p> <p data-bbox="229 815 778 887">G.I.4. Ability to tackle and resolve problems.</p> <p data-bbox="229 891 778 963">G.I.8. Oral and written competence in communicating in English.</p> <p data-bbox="325 999 778 1034">Generic systemic competences</p> <p data-bbox="229 1070 746 1106">G.S.5. Ability to learn on one's own.</p> <p data-bbox="325 1142 746 1178">Competences for applicability</p> <p data-bbox="229 1214 778 1330">G.A.2. Ability to use quantitative criteria and qualitative insights when taking decisions.</p> <p data-bbox="229 1335 778 1438">G.A.5. Ability to understand an economic organization with a global perspective.</p>	<p data-bbox="884 743 1244 779">Disciplinary competences</p> <p data-bbox="804 784 1359 922">E.D.2. Recognize and asses the duties of international economic institutions and their impact on business activity.</p> <p data-bbox="804 927 1359 1106">E.D.7 Identify the international economic institutions and evaluate their influence on economic growth, international trade and financial relations.</p> <p data-bbox="804 1111 1359 1254">E.D.12. Illustrate the primary sources of statistical economic information and managerial information available at a national and international level.</p> <p data-bbox="884 1290 1257 1326">Professional competences</p> <p data-bbox="804 1361 1359 1473">E.P.1. Ability to understand the decisions taken by economic agents and their interaction in the markets.</p> <p data-bbox="804 1478 1359 1585">E.P.2. Ability to analyze economic and market indicators when taking decisions within the organization.</p> <p data-bbox="804 1590 1359 1805">E.P.3. Ability to assess the changes that occur due to various international agreements and their effects on the economic relations of different countries and the companies' activities.</p> <p data-bbox="804 1809 1359 1917">E.P.4. Ability to relate and analyze current and historical economic events with knowledge about the economy.</p> <p data-bbox="804 1921 1359 2020">E.P.17. Ability to express and understand spoken and written communication in English at an</p>

	<p>advanced level in the international business environment.</p> <p>E.P.23. Ability to apply and expand upon abstract reasoning.</p> <p>E.P.24. Develop the ability to synthesize.</p>
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The above competences interrelate with the basic competences set out in Royal Decree 1393/2007, namely:

- a. competence to **comprehend knowledge, on the basis of general secondary education**
- b. competence to **apply knowledge** to day-to-day work in international management or marketing, in particular, ability to develop and defend arguments and to solve problems
- c. competence to **gather and interpret relevant data**, enabling the development of critical judgments on the economic and social reality
- d. competence to **communicate and transmit information** (ideas, problems, solutions) to a specialized and non-specialized public
- e. competence to **develop learning activities** in a relatively autonomous manner.

In order to establish a correspondence between the basic competences and those developed in the degree, these are grouped according to two criteria. Thus, the competences developed in the subject are structured into those that are seen as a development or specification of basic competences and those that define the professional profile of the graduate, with respect to general and specific competences.

Basic competence: understanding of knowledge

General competences G.A.2
Specific competences E.D.7, E.P.1

Basic competence: application of knowledge

Specific competences E.P.3, E.P.4, E.P.23

Basic competence: gather and interpret data

Specific competences E.D.12, E.P.2, E.P.24

Basic competence: communicate and transmit information

General competences G.I.8
Specific competences E.P.17

Basic competence: develop learning activities

General competences G.S.5

Competences that define the professional profile which are not included under basic competences

In general, these competences combine the following key elements for professionalizing students in the area of international business and marketing:

- provide students with the capacity to adapt to dynamic teams and environments
- provide students with the capacity to create their own integral vision of the operation of a business or international marketing project
- provide students with the capacity to take complex decisions and carry out negotiation processes

General competences G.I.4, G.A.5

Specific competences E.D.2

Own competences of the subject

Understand the economic interactions between countries and economic regions. Identify the economic consequences of globalization.

4. Contents

Part I: International Trade

1. *Classical theories of International Trade "country based theories"*
2. *New Theories of International Trade "firm based theories"*
3. *Trade Policy Instruments*
4. *Political Economy of Trade Policy*

Part II: International Finance

1. *The foreign exchange market - Flexible exchange rate regimes*
2. *Other exchange rate regimes*
3. *International financial architecture*
4. *The Balance of Payments*
5. *Balance of Payments' crisis, exchange rate regime collapses, and international capital movements.*

5. Assessment

Regular Term Evaluation

The final grade will be determined by the weighted average of various continuous evaluation activities and a final exam.

Assessment elements	Time period	Type of assessment		Assessment agent			Type of activity	Grouping		Weight (%)
		Comp	Opt	Lecturer	Self-assess	Co-assess		Indiv	Group (#)	
Moodle Test for contents and attendance (a minimum of 5 is required)	At the beginning of each lecture	X			X		Conceptual	X		10%
Problem sets or discussion topics to be presented at the seminars (a minimum of 5 is required). ALL work must be handed-in.	At the seminar	X		X			Application	X		20%
1 st midterm exam	Week 4	X		X			Conceptual Application Overall understanding	X		15%
2 nd midterm exam	Week 8	X		X			Conceptual Application Overall understanding	X		15%
Final exam (a minimum of 4 is required)	Exam week	X		X			Conceptual Application Overall understanding	X		40%

Doing the final exam is a necessary condition to receive a quantitative evaluation of the course. In case of non-attendance to the final exam, the student will receive an "N.A." grade.

September Evaluation

Continuous evaluation will account for 30% of the final grade, that is, the grades obtained during the course in Moodle Test, midterms and seminar presentations.

The final exam will account for the remaining 70% of the final grade. Doing the final exam is a necessary condition to receive a quantitative evaluation of the course. In case of non-attendance to the final exam, the student will receive an "N.A." grade.

Both in the Regular Term Evaluation and in the September Evaluation a minimum of 5 in the continuous evaluation and a minimum of 4 in the final exam must be achieved. Otherwise, the student will be given the lower of the two grades.

6. Bibliography and teaching resources

- Basic bibliography

KRUGMAN, P. & OBSTFELD, M., *International Economics: Theory and Politics*.
MANKIW, N.G., *Macroeconomics*.

- Supplementary bibliography

CHACHOLIADES, M., *International Economics*, Ed. Mc Graw Hill
SALVATORE, D. *International Economics*, Ed. Mc Graw Hill

- Teaching resources

Newsletter and newspaper articles: *The Economist*, *Financial Times*,
Newsweek, *La Vanguardia*, *El Periodico*, *El País*, ...

Slides from class presentations.

7. Methodology

Lectures

According to the program outlined in section 8, students are expected to do a series of readings that will be evaluated at the beginning of each lecture through Moodle Tests.

Lectures will cover the topics of the syllabus and will address the competences to be achieved in the course.

Seminars

Students will be asked to solve and hand-in problem sets. They will also have to work and hand-in discussions of several topics. ALL the assignments must be handed-in in order to be evaluated.

Assignments are meant to be done individually.

At the seminar, randomly selected students will be asked to solve or present their work and will be evaluated according to their presentations. Students will also be graded for their participation in the discussions of their fellow student's work.

Face-to-face (in the classroom)	Directed (outside the classroom)	Independent (outside the classroom)
Professor: - Lectures - Problem set solutions - Discussion of seminar topics Student: - Moodle tests - Presentation in seminars - Participation in discussions - Midterms - Final exam	Professor: - Prepare Moodle tests - Prepare problem sets - Prepare discussion topics Student: - Solve problem sets - Prepare presentations	Student: - Class preparation and readings - Independent study - Exam preparation

8. Scheduled activities

1) Allocation of hours between theory and practical lessons (based on the number of credits in the curriculum):

3 h of lecture and 1 h of seminar (beginning in the first week of class)

2) Scheduled activities under the curriculum:

Week	Week hours	Session	Date	Class Preparation	Time (hours)	In Class	Time (hours)	After Class	Time (hours)
1st week	12,5	Lecture 1	Monday, Sept. 27			Course Presentation. International Trade I	1,5	Review and independent study	2
		Lecture 2	Tuesday, Sept. 28	Selected readings (tba)	1	Moodle Test 1. International Trade II	1,5	Review and independent study	2
		Seminar 1	Friday, Oct. 1	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
2nd week	13,5	Lecture 3	Monday, Oct. 4	Selected readings (tba)	1	Moodle Test 2. International Trade III	1,5	Review and independent study	2
		Lecture 4	Tuesday, Oct. 5	Selected readings (tba)	1	Moodle Test 3. Trade Policy I	1,5	Review and independent study	2
		Seminar 2	Friday, Oct. 8	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
3rd week	13,5	Lecture 5	Monday, Oct. 11	Selected readings (tba)	1	Moodle Test 4. Trade Policy II	1,5	Review and independent study	2
		Lecture 6	Tuesday, Oct. 12	Selected readings (tba)	1	Moodle Test 5. Trade Policy III	1,5	Review and independent study	2
		Seminar 3	Friday, Oct. 15	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
4th week	18	Lecture 7	Monday, Oct. 18	Selected readings (tba)	1	Moodle Test 6. Exchange Rates I	1,5	Review and independent study	2
		Lecture 8	Tuesday, Oct. 19	Selected readings (tba)	1	Moodle Test 7. Exchange Rates II	1,5	Review and independent study	2
		Midterm 1	Wednesday, Oct. 20	Prepare for midterm exam	3	1st midterm	1,5		
		Seminar 4	Friday, Oct. 22	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
5th week	13,5	Lecture 9	Monday, Oct. 25	Selected readings (tba)	1	Moodle Test 8. Exchange Rates III	1,5	Review and independent study	2
		Lecture 10	Tuesday, Oct. 26	Selected readings (tba)	1	Moodle Test 9. Exchange Rates IV	1,5	Review and independent study	2
		Seminar 5	Friday, Oct. 29	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
6th week	13,5	Lecture 11	Monday, Nov. 1	Selected readings (tba)	1	Moodle Test 10. Intl. Financial Architecture I	1,5	Review and independent study	2
		Lecture 12	Tuesday, Nov. 2	Selected readings (tba)	1	Moodle Test 11. Intl. Financial Architecture II	1,5	Review and independent study	2
		Seminar 6	Friday, Nov. 5	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
7th week	13,5	Lecture 13	Monday, Nov. 8	Selected readings (tba)	1	Moodle Test 12. Balance of Payments I	1,5	Review and independent study	2
		Lecture 14	Tuesday, Nov. 9	Selected readings (tba)	1	Moodle Test 13. Balance of Payments II	1,5	Review and independent study	2
		Seminar 7	Friday, Nov. 12	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
8th week	18	Lecture 15	Monday, Nov. 15	Selected readings (tba)	1	Moodle Test 14. Balance of Payments III	1,5	Review and independent study	2
		Lecture 16	Tuesday, Nov. 16	Selected readings (tba)	1	Moodle Test 15. International Crises I	1,5	Review and independent study	2
		Midterm 2	Wednesday, Nov. 17	Prepare for midterm exam	3	2nd midterm	1,5		
		Seminar 8	Friday, Nov. 19	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
9th week	13,5	Lecture 17	Monday, Nov. 22	Selected readings (tba)	1	Moodle Test 16. International Crises II	1,5	Review and independent study	2
		Lecture 18	Tuesday, Nov. 23	Selected readings (tba)	1	Moodle Test 17. International Crises III	1,5	Review and independent study	2
		Seminar 9	Friday, Nov. 26	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
10th week	13,5	Lecture 19	Monday, Nov. 29	Selected readings (tba)	1	Moodle Test 18. International Crises IV	1,5	Review and independent study	2
		Lecture 20	Tuesday, Nov. 30	Selected readings (tba)	1	Moodle Test 19. International Crises V	1,5	Review and independent study	2
		Seminar 10	Friday, Dec. 3	Prepare for seminar (problem set or discussion topic)	2	Presentation in Seminar	1	Review and independent study	1,5
Exam week	7			Prepare for final exam	5	Final Exam	2		
TOTAL H.	150				50		45		55