Rutgers University

International Economics Spring 2015
220:300 Sec:06
Tue & Thurs. 8:10-9:30 LSH A143
Final Exam: Tues May 12, 8:00-9:30 P.M.

Notice: I do not give makeups because a student wants to leave early to go home/away. You should either adjust your travel plans or take a different section of the course.

Dr. G. Clare Office: NJ Hall, Room 104 Phone: (848) 932-8108

Learning Goals for Economics Majors

See the Department website at the following:
http://economics.rutgers.edu/undergraduate/learning-goals

Course Goals:

Students who complete this course will have a thorough understanding of the core micro- and macro-economic principles that underlie international economic relations; will comprehend the basic economic theories of trade, trade barriers, and the impact of trade policy on firms and consumers; will know the basics of exchange rates and how they affect economic agents and government policy; will learn the fundamentals of foreign exchange markets, balance of payments, and international monetary systems; will be able to read and understand general interest articles on international trade, finance and policy.

The following is a course outline which is subject to change.

Office Hours: Dr. Clare
N.J. Hall Room 104 Ph. (848) 932 – 8108: Thurs. 11:00-12:00
LRC: Tillit Hall: Room 111 Ph. (848) 445-0986 Tues 3:30-4:30,
Thurs. 3:30-4:30 and by appointment

TA-Grader:
Office: TBA
E-Mail:
ATTENDANCE

I. My policy regarding attendance at regular classes is as follows:

I do not take attendance, and I do not count attendance towards your grade. Since a thorough understanding of my lectures is crucial to your performance on the exams, and therefore your grades, cutting class will be a serious mistake. If you should miss a class you are expected to obtain the missed material from a student who was at class. You are responsible for all material even that covered when you miss class. You are adults now and you are expected to conduct yourself as such and attend class. I do not require students to contact me or report absences if they are going to miss a regular class.

Note: Exams and quizzes are not regular classes and the above rules do not apply.

II. My policy regarding attendance at exams is as follows:

There are “No” makeup exams or quizzes.

If a truly extreme situation arises, you “Must contact me directly” using both my RCI e-mail address and office phone. This must be done immediately. I must agree the reason was extreme enough to miss the exam and verification of your situation will be required. Otherwise, you will receive a grade of 0 for any exams or quizzes missed.

III. What if a student must miss a week or more of classes due to Prolonged illness etc.

If a student has a prolonged illness or prolonged emergency situation and will miss a week or more of regular classes, and only if you will miss a week or more of classes, the student is to use the university absence reporting website http://sims.rutgers.edu/ssra/ to indicate the dates and reason for your absence. In addition you must see the Dean of students for assistance and obtain verification of your situation. You do not need to report an occasional absence from regular class or see a dean.

**Required Reserve Readings:** Selected Journal articles as well as selected pages from the following texts are on reserve:
- *Foundations of Multinational Financial Management* 3rd by Shapiro Prentice Hall

**Additional Reading:** From time to time additional readings may be put on reserve if it is felt they are relevant to the course.

**Announcements:** always check [Sakai.Rutgers.edu](http://Sakai.Rutgers.edu) for any announcements

**Questions Regarding Course Material:** If you have questions regarding course material or something from the book or study guide then you should speak to me in person. That is the purpose of office hours. If you cannot make any of my office hours then make an appointment. You may also see me after class or before class begins. You may also approach me if you see me walking on campus or in the cafeteria and if possible I will answer your questions. However I will not explain course material and such in e-mails.

**Phone #:** (848) 932-8108 if you wish to speak with me feel free to call. If I am not in leave your name and number (slowly and distinctly) on the answering machine and I will return your call as soon as I am able. If an “emergency” arises and I am not in and you need to get a message to me leave a message on the machine and also send an e-mail.

gclare@rci.rutgers.edu

**E-Mail**
When using e-mail always include the course and number in the subject space (ex: Intl.300) this way I know it is from a student and in which class, otherwise it could be deleted by mistake as junk mail.

**When e-mailing me you must remember the following:**
1) The university does not want the faculty to discuss grades in e-mail. You must speak to me in person or on the phone. 2) I will not explain course material in e-mails. See “Questions Regarding Course Materials” above. 3) if you need information from the syllabus and have lost it, download another copy. E-mail is never a substitute for the syllabus.

**Make-up exams:**
There are “No” makeup exams or quizzes.
If a truly extreme situation arises, you “Must contact me directly” using both my RCI e-mail address and office phone. This must be done immediately. I must agree the reason was extreme enough to miss the exam and verification of your situation will be required. Otherwise, you will receive a grade of 0 for any exams or quizzes missed.
**Grade:** Final grade is based on three exams. All of which carry equal weight.

**Grade ranges are as follows:**
90 and above = A,  85-89.999etc = B+,  80-84.999etc = B,  75-79.999etc = C+,  
70 -74.999etc = C,  60 - 69.999etc = D, below 60 is F.

**Questions regarding exam results.**
Your score on each exam and quiz will be posted to Sakai. The T.A. / Grader will have your actual results and you must go to them to see which questions you had wrong. Any concerns regarding the results must be raised before your next exam or quiz in order for any redress to occur.

**Extra Credit Work:** Extra credit work is “Not” accepted.

**Cell phones Lap Tops etc.:** Lap Tops, Text messaging, and talking on cell phones are not permitted during class. Lap Tops, Cell phones and all such devices are not to be out during class.

**Recording of lectures:** The recording of lectures is not permitted.

**Student Conduct and Academic Integrity:** The following are the links for the university’s policies regarding student conduct and academic integrity.
Academic integrity: [http://academicintegrity.rutgers.edu/about-the-office-of-student-conduct](http://academicintegrity.rutgers.edu/about-the-office-of-student-conduct)

**Prerequisites:** 220:102 and 103, or 220:200

**Course Level:** Lower Level

**Notice:** If a student takes 300, 335 and 336 only 2 of the 3 courses will count towards the economics major.

**Part I**

<table>
<thead>
<tr>
<th>Part</th>
<th>Topic</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Mercantilism and Law of Comparative Advantage</td>
<td>Ch. 1, Ch. 2 (Sec. 1 – 6), Ch. 3</td>
</tr>
<tr>
<td>b)</td>
<td>Determination of Terms of Trade and Modern Theory of Trade</td>
<td>Ch. 4 (Sec. 1, 2, 6), Ch. 5 (Sec. 1-5)</td>
</tr>
<tr>
<td>c)</td>
<td>Commercial Policies</td>
<td>Ch. 8 (Sec. 1, 2, 4), Ch. 9 (Sec. 1-5)</td>
</tr>
<tr>
<td></td>
<td><strong>EXAM I</strong></td>
<td><strong>Feb. 24</strong></td>
</tr>
</tbody>
</table>
### Part II

<table>
<thead>
<tr>
<th>Section</th>
<th>Reading Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Economic Integration &amp; Customs Unions</td>
<td>Text: Ch. 10 (Sec. 1-5)</td>
</tr>
<tr>
<td>b) Foreign Exchange Markets &amp; Exchange Rates</td>
<td>Text: Ch. 14 Shapiro: (Reserve) Ch. 2 (pp 38-40) and Ch. 5 (pp 119-123) and Ch 7 (pp 155-162)</td>
</tr>
<tr>
<td>c) Balance of Payments</td>
<td>Text: Ch. 13 (Sec. 1-4)</td>
</tr>
<tr>
<td>d) Price Adjustment Mechanisms</td>
<td>Text: Ch. 16 (Sec. 1-4, 6 and Appendix A 16.3)</td>
</tr>
</tbody>
</table>

**Exam II**

April 7

### Part III

<table>
<thead>
<tr>
<th>Section</th>
<th>Reading Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Continuation of Adjustment Mechanisms and Monetary Approach to Balance of Payments</td>
<td>Text: Ch. 17 (Sec. 1-3, 5), Ch. 18 &amp; Appendix A (18.1-18.3) Ch. 15 (Sec. 3)</td>
</tr>
<tr>
<td>b) Flexible vs. Fixed Rate Systems and the International Monetary System</td>
<td>Text: Ch. 20 (Sec. 1-4,6) Ch. 21 (Sec. 1-5) Moffett, Stonehill, Eitman. (Reserve) Ch. 2 (pp 27-32, 36-38)</td>
</tr>
<tr>
<td>c) International Capital Movements and Multinational Corporations</td>
<td>Text: Ch. 12 (Sec. 1-3, 5)</td>
</tr>
</tbody>
</table>

**Exam III**

Tues. May 12, 8:00-9:30 PM