

Rutgers University, New Brunswick
International Economics (01:220:300:B6): Summer 2017
Instructor: Fanle Wei

1 Contact

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- Office hours: Mon/Wed 3-5pm

2 Course Details

- Class Location: Scott Hall 121
- Class Timings : Mon/Wed 6-10pm

3 Prerequisites

- 220:102 Introduction to Microeconomics
- 220:103 Introduction to Macroeconomics

4 Textbook

Essentials of International Economics (3rd edition) by Robert C. Feenstra and Alan M.Taylor

5 Grading

Course grades will be based on the following:

- Class participation: 5%
- Homework: 15%

- 1st Midterm exam: 25%.
- 2nd Midterm exam: 25%.
- Final Exam: 30%.

Makeup exams will be allowed only under very extreme situations. If you think you will not be able to attend any exam due to medical reasons or emergencies, you must contact me immediately, either before the exam or within 24 hours of missing the exam. A verification of your situation will be done and you will need to produce either a note from the Dean's office or a signed form from the physician's office. Otherwise you will receive a grade 0 for any exam missed.

Homework should be handed over in class on the due date. Late submissions are not allowed and will not be accommodated.

6 Course Outline

The syllabus below gives an overview of the topics that will be covered. The exact order/topics may be revised over the course of the semester.

- Overview of International Economics
 - Chapter 1: The Global Economy
- International Trade Theory
 - Chapter 2: Trade and Technology: The Ricardian Model
 - Chapter 3: Gains and Losses from Trade in the Specific-Factors Model
 - Chapter 4: Trade and Resources: The Heckscher-Ohlin Model
 - Chapter 5: Movement of Labor and Capital between Countries
 - Chapter 6: Increasing Returns to Scale and Monopolistic Competition
- Trade Policy
 - Chapter 7: Import Tariffs and Quotas under Perfect Competition
 - Chapter 8: Import Tariffs and Quotas under Imperfect Competition
 - Chapter 9: International Agreements: Trade, Labor, and the Environment

- Exchange Rates and Prices in International Trade
 - Chapter 10: Introduction to Exchange Rates and the Foreign Exchange Market
 - Chapter 11: Exchange Rates I: The Monetary Approach in the Long Run
 - Chapter 12: Exchange Rates II: The Asset Approach in the Short Run
- The Balance of Payments
 - Chapter 13: National and International Accounts: Income, Wealth, and Balance of Payments
- International Macroeconomic Policy
 - Chapter 14: Output, Exchange Rates, and Macroeconomic Policies in the Short Run
 - Chapter 15: Fixed versus floating: International Monetary Experience

7 Academic Integrity

Cheating will not be tolerated. The University has established severe penalties for cheating. The University's policy on academic integrity is found in the official catalogue at [http://academicintegrity.rutgers.edu /academic-integrity-at-rutgers/](http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers/)

8 Learning Outcomes

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 rate 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.

9 Attendance

Students are expected to attend all classes. If you miss a class because of illness or family emergency, you are required to use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate

the dates and the reason for your absence. In addition to that, you should notify me by email as well. Cellphones and other electronic devices (except laptops) must be turned off before each class begins.