Day, time and location: Monday 5:30pm - 8:00pm in SIS 102

Professor: Claire Brunel
Office location: SIS 310
Email:
Office hours: Monday 3:00pm - 5:00pm, and by appointment

Pre-requisite: ECON 603 or equivalent

Course description
This course provides an introduction to international economics. The goal is to introduce students to the application of microeconomic and macroeconomic principles to the flows of trade and capital across countries. The theoretical foundations will be illustrated by examples of real world economic events and policy issues, both in class and through readings of recent newspaper articles.

In the first part of the course, we will study the international trade of goods and services. We will investigate why economies trade, what products they trade, in what quantity, and at what price. We will also explore the benefits and costs of international exchanges, and examine the policies and cross-country agreements that are used to shape trade patterns. The course will also briefly cover the links between trade and other economic issues such as economic growth, the environment, investment, and migration.

In the second part of the course, we will turn to international macroeconomics and finance. Specifically, we will study the economic linkages in terms of currencies, trade and capital flows between different economies. Topics covered will include foreign exchange markets and the effects of different foreign exchange regimes, conventional accounting of cross-border trade and financial transactions, capital flows and financial crises, as well as the coordination of monetary and fiscal policies in a global economy.

Learning objectives and outcomes
The main objective of this course is to gain intuition for how to think about an international economic problem. In particular, the class will enhance your understanding of the essential vocabulary, analytical tools, theoretical principles, practical applications, and economic policy implications of both international trade and international finance. The expected learning outcome will be the ability to apply concepts, intuition, and theories from class to broader questions about international economics and economics more generally.
**Recommended textbook**

*Note:* A copy of the book is on reserve in the AU library or you can purchase/rent a hard copy, a loose-leaf copy, or an online copy. You are free to use any version of this book. However, if you acquire an edition that is not the 16th edition, you are responsible for consulting a 16th edition to check for discrepancies (problem and chapter numbering might change across versions).

**Grading**
Your performance will be evaluated through homework assignments, weekly quizzes, 2 midterms, a final, and class participation with the following weights:

- **Homework (15%):** due at the beginning of class before the lecture starts. Working in groups is encouraged for problem sets but each student should hand in their own assignment. Electronic submissions are encouraged. The lowest grade is dropped.

- **Weekly quizzes (10%):** multiple choice questions on class material and readings administered through blackboard to be taken before the next class. You will not be able to start the quiz late, the quiz must be completed in one sitting, you will not be able to backtrack.

- **Midterm #1 (20%):** February 15th during class time.

- **Midterm #2 (20%):** March 28th during class time.

- **Final (25%):** cumulative and scheduled by the university on May 2nd. The final usually takes place in the classroom used during the rest of the semester, but you should check the university website.

- **Class participation (10%):** Attendance is not mandatory but participation in class discussion and asking questions is highly encouraged.

The final grade distribution will be curved to reflect the performance of the class. Up to 45% of top-scoring students will be eligible for an “A” or “A-” letter grade; students scoring closer to the mean/median will be assigned a grade in the “B+” to “B-” range; and those scoring substantially below that will get a lesser final grade (e.g., “C+” or “C”).

**Re-grading:** A request to re-grade an exam or homework must be submitted in writing within seven days of the class when assignment/exam was returned. The request must include a description of what the problem is and why you think the question should be graded differently, and should be attached to the exam or homework.

**Late Homework and Exam Absence**
Late homework will not be accepted under any circumstance. Failure to attend class is not an
excuse for turning in assignments late. In case of absence, the assignment should be emailed to me by the beginning of class. Anything received after the beginning of class will be considered late and not graded. Requests for extensions will not be acknowledged. However, I drop the lowest grade so you get one free pass. Use it wisely.

Similarly, the dates for all three exams are announced to you at the beginning of the semester so clear your schedules and plan your travels accordingly. No make-up exams. If you miss one of the midterms, the other two exams will increase in weight. Missing an exam will only be approved when excused by the Office of the Dean of Students per university guidelines.

Website
You should make sure you have access to the class website on blackboard. The blackboard website is an important means by which I make announcements to the class, as well as distribute problem sets and solutions, lecture slides, and supporting material for lectures. It is important that you regularly check the announcements posted there.

Technology
The use of phones and computers in class can be distracting to yourself, the students around you, and the professor. For this reason, you are strongly encouraged to keep the use of electronic devices to a minimum.

Support from the university
Please keep in mind the following resources:

- Academic Support and Access Center. If you require special accommodations for learning or exam-taking, requests must go through this office.
- CTRL lab
- The Writing Center
- Counseling Center
- Center for Diversity and Inclusion
- OASIS: The Office of Advocacy Services for Interpersonal and Sexual Violence
- International Student and Scholar Services

Standards of academic conduct
Standards of academic conduct are set forth in the University's Academic Integrity Code. By registering, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the Code. Violations of the Academic Integrity Code will not be treated lightly, and disciplinary actions will be taken should such violations occur. Please see me if you have any questions about the academic violations described in the Code in general or as they relate to particular requirements for this course.

Emergency preparedness
In the event of an emergency, AU will implement a plan for meeting the needs of all members of the university community. Should the university be required to close for a period of time, we are committed to ensuring that all aspects of our educational programs will be delivered to our
students. These may include altering or extending the duration of the traditional term schedule to complete essential instruction in the traditional format and/or use of distance instructional methods. Specific strategies will vary from class to class, depending on the format of the course and the timing of the emergency. Faculty will communicate class-specific information to students via AU e-mail and Blackboard, while students must inform their faculty immediately of any absence. Students are responsible for checking their AU email regularly and keeping themselves informed of emergencies. In the event of an emergency, students should refer to the AU Student Portal, the AU website (www.prepared.american.edu) and the AU information line at (202)885-1100 for general university-wide information, as well as contact their faculty and/or respective dean’s office for course ans school/college-specific information.

**Early warning notices**

Students may receive Early Warning Notices. These notices are designed for you to contact your faculty, receive assistance, and develop strategies to improve your performance in the class. Please note that you should seek help throughout the semester when you have questions, fail to submit an assignment, fail to attend class, or receive an unsatisfactory grade.
**SCHEDULE OF CLASSES**
(the outline provided is tentative and subject to change)

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic and Required Readings</th>
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<tbody>
<tr>
<td>January 11th</td>
<td>Introduction and Supply and Demand&lt;br&gt;<em>Pugel Chapter 2 &amp; articles on blackboard</em></td>
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<tr>
<td>January 25th</td>
<td>Theories of International Trade&lt;br&gt;<em>Pugel Chapters 3 and 4 &amp; articles on blackboard</em></td>
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<tr>
<td>February 1st</td>
<td>Theories of International Trade, continued&lt;br&gt;<em>Pugel Chapters 5 and 6 &amp; articles on blackboard</em></td>
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<td>February 8th</td>
<td>Barriers to Imports, and <strong>Assignment #1</strong> due.&lt;br&gt;<em>Pugel Chapters 8 and 9 &amp; articles on blackboard</em></td>
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<td>February 15th</td>
<td><strong>Midterm #1</strong> covering Chapters 2-6 and 8-9.</td>
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<td>February 22nd</td>
<td>Protectionism, Export Promotion, and Trade Agreements&lt;br&gt;<em>Pugel Chapters 10, 11 and 12 &amp; articles on blackboard</em></td>
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<td>February 29th</td>
<td>Growth, Environment, and International Factor Movements&lt;br&gt;<em>Pugel Chapter 7, 13, and 15 &amp; articles on blackboard</em></td>
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<td>March 14th</td>
<td>The Balance of Payments&lt;br&gt;<em>Pugel Chapters 16 &amp; articles on blackboard</em></td>
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<td>March 21st</td>
<td>The Foreign Exchange Market, and <strong>Assignment #2</strong> due.&lt;br&gt;<em>Pugel Chapter 17 and 18 &amp; articles on blackboard</em></td>
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<td>March 28th</td>
<td><strong>Midterm #2</strong> covering Chapters 7, 10-13, and 15-18.</td>
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<td>April 4th</td>
<td>Exchange-Rate Determinants&lt;br&gt;<em>Pugel Chapter 19 &amp; articles on blackboard</em></td>
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<td>April 11th</td>
<td>Exchange-Rate Policies and Open-Economy Macroeconomics&lt;br&gt;<em>Pugel Chapter 20 and 22 &amp; articles on blackboard</em></td>
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<tr>
<td>April 18th</td>
<td>Open-Economy Macroeconomics, cont’d&lt;br&gt;<em>Pugel Chapters 23, 24 and 25 &amp; articles on blackboard</em></td>
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<td>April 25th</td>
<td>International Financial Crises, and <strong>Assignment #3</strong> due.&lt;br&gt;<em>Pugel Chapters 21 &amp; articles on blackboard</em></td>
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<td>May 2nd</td>
<td><strong>Final</strong> cumulative but focused on Chapters 19-24.</td>
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