

ECO 3703 – INTERNATIONAL ECONOMICS
Spring 2020, CRN 12779, TR 4.30 PM- 5.45 PM, Lutgert Hall, 4201

Instructor: Dr. Mushfiq Swaleheen, Professor.

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Office: Lutgert Hall 3306

Office Hours: T, R: 1.30 – 4.00 PM
and by appointment.

OFFICIAL COURSE DESCRIPTION

ECO 3703 - International Economics - 3 credit(s)

Gains from trade, balance of payments, exchange rate determination, balance of payments stability, and international commercial policy.

Prerequisite: ECO 2013 with a minimum grade of C and ECO 2023 with a minimum grade of C.

REQUIRED COURSE MATERIAL

International Economics (11th edition), Dominick Salvatore; John Wiley & Sons, Inc.
Texas Instruments BA2+ Calculator.

COURSE OBJECTIVES Students shall acquire knowledge of the following from the course

- Theories of international trade, the standard trade model, and gains from trade
- The barriers to free trade and their efficiency and welfare consequences
- The balance of payments and its use as an analytical tool
- The market for foreign exchange and exchange rate determination

LEARNING OUTCOMES After completion of the course, a student should be able to

- Explain
 - why countries trade and the effects of trade on a countries well being;
 - the main forms of barriers of trade and their effects,
 - the balance of payments of a country
 - how the exchange rate between two countries is determined and the operation of the foreign exchange market
- Apply theories of international trade, tariff and quota; the balance of payments; and theories of exchange rate determination to analyze scenarios involving international trade and financial flows between countries
- Communicate the conclusions from analysis of economic outcomes in writing

ASSESSMENT

Your grade will be based on class participation, problem sets, three in-class exams, and a comprehensive final exam.

Participation (5%):

You are required to attend all classes, participate in class discussions, and familiarize yourself with (and follow!) the policies on academic honesty (see below).

Problem Sets (20%):

The problem sets will be handed out either electronically or at the end of class and must be returned by the due date. If you would like, you may work in small groups of 2-4 people to discuss the problem sets. However, you *must* write up answers individually. I will not grade *any* late submissions. Your answers must be legible.

Exams 3 (15% each):

Examination 1 will be held in class on Thursday, January 23.

Examination 2 will be held in class on Thursday, March 17

Examination 3 will be held in class on Tuesday, April 9.

Final Exam (30%):

The final examination will cover material from the entire semester and will be held on Tuesday, April 28.

My grading scale is as follows:

A	94-100	B-	80-82	D	63-66
A-	90-93	C+	77-79	D-	60-62
B+	87-89	C	70-76	F	0-59
B	83-86	D+	67-69		

Grades will be assigned purely on the basis of performance. There are no extra credit assignments and your particular situation relating to graduation, scholarship, work, financial aid, work etc., has no bearing on grading. A **grade of incomplete** may be given out in case of unforeseen emergencies, according to my discretion and in accordance with FGCU guidelines. Poor performance during the semester is not a valid reason for an incomplete.

EXAMINATIONS

The examinations will be closed book. All examinations will be held in the classroom for the course.

MISSED EXAM

There will be NO make-up exams. If you simply do not show up, you will earn a grade of zero. If you encounter a (documented) medical or family emergency and are unable to take an examination, you must notify me prior to or during the examination by phone or email. After you provide acceptable written documentation of the emergency, the weight of the final examination will be adjusted by the weight of the missed examination. This grade adjustment option can be used for one in-class examination only.

COMMUNICATION: I will make announcements during class and periodically communicate with the class via CRN email at eagle.fgcu and *Angel*. If you do not have an eagle account you need to establish one.

ATTENDANCE POLICY

Attendance is required. Every unexcused absence after three absences will carry a penalty of one point (out of 100 total points for the semester). Absences may be excused only if you encounter a (documented) medical or family emergency.

APPROPRIATE CLASSROOM BEHAVIOR

1. **Laptops and cell phones are not to be used in the classroom.** They are a distraction to me and your classmates.
2. Please treat your classmates and me with appropriate **respect**.
3. I will be in the classroom **on time**, and I expect the same from you.
4. I will **not leave in the middle of a lecture** and it is poor form for you to do so.
5. If you want to bring your textbook to class that is fine, other than that please **do not read outside material in class** (this includes newspapers, magazines, and any book you are reading that you just can't put down).
6. One last note, if you want to **talk on a non-class discussion related matter** – do it on your time. I will not tolerate students being disruptive in the classroom.

Inappropriate behavior will lead to **deductions** from in-class work and participation points at my discretion.

UNIVERSITY STATEMENTS

Academic Behavior Standards and Academic Dishonesty

All students are expected to demonstrate honesty in their academic pursuits. The university policies regarding issues of honesty can be found in the FGCU Student Guidebook under the Student Code of Conduct and Policies and Procedures sections. All students are expected to study this document which outlines their responsibilities and consequences for violations of the policy. The FGCU Student Guidebook is available online at <http://studentservices.fgcu.edu/judicialaffairs/new.html>

University Nondiscrimination Statement

Florida Gulf Coast University is committed to ensuring equity and fairness for all University employees, students, visitors, vendors, contractors and other third parties. As such, the University prohibits discrimination on the bases of race, color, national origin, ethnicity, religion, age, disability, sex (including sexual harassment/assault), gender identity/expression, marital status, sexual orientation, veteran status or genetic predisposition with regard to admissions, employment, programs or other activities operated by the University. This prohibition extends to enforcement of **Title IX** of the Education Amendments of 1972. Questions or complaints should be directed to the Office of Institutional Equity and Compliance (OIEC). The OIEC's phone number is (239)745-4366; the OIEC email address is OIEC@fgcu.edu.

Disability Accommodations Services

Florida Gulf Coast University, in accordance with the Americans with Disabilities Act and the university's guiding principles, will provide classroom and academic accommodations to students with documented disabilities. If you need to request an accommodation in this class due to a disability, or you suspect that your academic performance is affected by a disability, please see me or contact the Office of Adaptive Services. The Office of Adaptive Services is located in the Wellness Building. The phone number is 239-590-7956 or Video Phone (VP) 239-243-9453. In addition to classroom and campus accommodations, individuals with disabilities are encouraged to create their personal emergency evacuation plan and FGCU is committed to providing information on emergency notification procedures. You can find information on the emergency exits and Areas of Rescue Assistance for each building, as well as other emergency preparedness materials on the Environmental Health and Safety and University Police Department websites. If you will need assistance in the event of an emergency due to a disability, please contact Adaptive Services for available services and information.

Student Observance of Religious Holidays

All students at Florida Gulf Coast University have a right to expect that the University will reasonably accommodate their religious observances, practices, and beliefs. Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holy day of their faith. Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence. Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observances. Where practicable, major examinations, major assignments, and University ceremonies will not be scheduled on a major religious holy day. A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence.

Confirmation of Attendance

As of fall 2015, all faculty members are required to confirm a student's attendance for each course by the end of the first week of classes. Failure to do so will result in a delay in the disbursement of your financial aid. *The confirmation of attendance is **required** for all students, not only those receiving financial aid.*

SCHEDULE OF DISCUSSION¹

Tentative course outline:

Week 1 (01/06- 01/12)	Chapter 1: The globalization of the world economy Chapter 2: Mercantilism and theories of international trade
Week 2 (01/13 - 01/19)	Review of tools from microeconomics: Demand and supply curves, consumers and producers' surplus, elasticity, indifference curves and isoquants
Week 3 (01/20 - 01/26)	Review of tools from microeconomics: Production possibility with a single factor of production; multiple factors of production, return to scale and opportunity cost. Exam 1 (January 23)
Week 4 (01/27 - 02/02)	Chapter 2 – Absolute and comparative advantage Chapter 3 – Standard theory of international trade
Week 5 (02/03- 02/09)	Chapter 3 – Standard theory of international trade. Chapter 4. – Offer curves and terms of trade
Week 6 (02/10 - 02/16)	Chapter 5 – Factor endowments and Heckscher – Ohlin model.
Week 7 (02/17 - 02/23)	Chapter 5 – Factor endowments and Heckscher – Ohlin model
Week 08 (02/24 - 03/01)	Chapter 6 – Imperfect competition and international trade

¹ This schedule is tentative and subject to change

Week 9 (3/02- 03/08)	Spring break
Week 10 (03/09 - 03/15)	Chapter 6 – Imperfect competition and international trade
Week 11 (03/16- 03/22)	Exam 2 (March 17) Chapter 8 – Trade restriction with tariffs
Week 12 (03/23 - 03/29)	Chapter 8 – Trade restriction with tariffs Chapter 9: Non-tariff trade restrictions
Week 13 (03/30 - 04/05)	Chapter 13 – Balance of payments
Week 14 (04/06- 04/12)	Chapter 13 – Balance of payments Exam 3 (April 9)
Week 15 (04/13-04/19)	Chapter 14 – The foreign exchange market and exchange rates Chapter 15 – Exchange rate determination
Week 16: (4/20 - 4/26)	Chapter 16 – Price adjustment mechanisms with current account imbalance Chapter 17 – Income adjustment mechanisms with current account imbalance
4/28, 3.00 pm	Comprehensive final examination

IMPORTANT DATES

Exam 1 on Thursday, January 23.
Exam 2 on Tuesday, March 17.
Last day to withdraw without academic penalty, March 27
Exam 3 on Thursday, April 9
Comprehensive final examination on April 28 at 3.00 pm