

JOHN ABBOTT COLLEGE

SOCIAL SCIENCE PROGRAM

COURSE OUTLINE

COURSE TITLE:	INTERNATIONAL ECONOMIC RELATIONS
COURSE NUMBER:	383-252-AB
PONDERATION:	3-0-3
CREDITS:	2
DAYS, TIME & LOCATION:	Tuesdays & Thursdays HO-024, 2:30 – 4:00 pm
PREREQUISITES:	Macroeconomics (383-920-AB)
SEMESTER:	Fall 2011
INSTRUCTOR:	Kenneth Matziorinis, BA, MA, Ph.D. (McGill)
OFFICE:	Hochela HO-110;
TELEPHONE:	(514) 457-6610 <i>local</i> 5109
AVAILABILITY:	Wednesday & Friday 11:30 – 2:00 pm
E-MAIL ADDRESS:	ken.matziorinis@johnabbott.qc.ca
WEBSITE:	www.canbekeconomics.com
COMPETENCY:	(022R) TO THOROUGHLY ANALYZE HUMAN PHENOMENA (022S) TO APPLY CONCEPTS RELATED TO SOCIAL SCIENCE DISCIPLINES IN THE UNDERSTANDING OF THE HUMAN PHENOMENA IN CONCRETE SITUATIONS (022R) TO THOROUGHLY ANALYZE HUMAN PHENOMENA

INTRODUCTION:

International Economics is a second level course in economics. The sole prerequisite is Introduction to Macro Economics (383-920-AB). It is important for students interested in studying business, economics, political science, history, geography, economic development, area studies or law at the university level. It is also useful for all other social science students who want to develop a global vision. International Economics provides the student with the necessary foundation in understanding the world economy as well as the major issues of our time such as globalization, multinational corporations, free trade and international trade disputes, global financial crises, human migration, economic development, the rise of Asia and the economic challenges posed by climate change and environmental degradation.

COURSE OBJECTIVES AND METHODS:

At the end of the course you should be able to: a) understand basic international economic facts, concepts, theories and methods; b) establish a relationship between these theories and concepts; c) apply theory to actual situations; d) analyze a given issue, theme or phenomenon from several perspectives; e) develop appropriate strategies to study specific cases; f) demonstrate awareness of the contribution of informed, concerned, active citizenship, both locally and globally; g) draw and interpret graphs relevant to this course; h) correctly interpret the news, newspaper articles and the various quantitative data relevant to international

economics; i) use equations to solve for equilibrium levels of price and quantity; j) employ critical thinking at a college level; k) develop evidence-based arguments; l) identify microeconomic-based problems and formulate appropriate questions; m) analyze text/data; n) synthesize text/data, demonstrating awareness of various perspectives; o) evaluate text/data; p) use computers to find information relevant to the course; q) establish links between economics and other social science and commerce disciplines.

COURSE CONTENT AND WEEKLY SCHEDULE:

The following topics are discussed in the course: The theory of international trade, theory and applications of tariffs, political economy of trade policy, balance of payments, the foreign exchange market, exchange rate determination, international investment and capital flows, currency regimes, the international monetary system, the role of global institutions such as the International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO), game theory and multilateral trade negotiations and agreements. Special topics such as the North American Free Trade Agreement (NAFTA), economic integration and regional trading blocks, the European Union (EU), Canada's trade policy, the rise of China and India and globalization and its impact on developing countries and society at large will also be discussed, among others. See below the weekly schedule of topics

REQUIRED TEXT AND MATERIALS:

Matziorinis, Kenneth N., (2011) *International Economic Relations: Theory and Global Environment*, Canbek Publications

TEACHING METHODS:

The format for this course will involve class lectures, problem solving assignments, class discussions, class tests, research on current international economic issues on the Internet and the library and reading and comprehension of media reporting on international business, trade, and financial issues.

ATTENDANCE POLICY:

Attendance in this course is compulsory. Students who accumulate more than five (5) absences constitutes grounds for automatic failure. Students' performance will be subject to mid-semester reporting.

EVALUATION PROCEDURE:

Two (2) class tests, worth 30 marks each	60 %
Two (2) assignments, 10 marks each	20 %
One (1) Country Trade Report (see Research Project for full details)	20 %

	100 %

Student term papers will be returned at the end of the term. Any uncollected papers will be available at the instructor's office during the first four weeks of the following Semester.

SUPPLEMENTAL READINGS:

As a supplement to the lectures and text book the student is required to follow international economic developments as they are reported in the news. Visit my website: www.canbekeconomics.com and click on *Economic & Finance Links*. Follow the news as they are reported online by the **Globe & Mail** and **Bloomberg**.

PLAGIARISM/CHEATING:

Plagiarism and/or cheating will result in failure of the course. A written notification will be sent to the college administration. Further information is available in the Institutional Policy on the Evaluation of Student Achievement (IPESA).

TERM RESEARCH PAPER:

Students will be asked to choose the topic of their research paper by the 4th week of classes. A list of suggested topics will be supplied by the Instructor to assist those students who cannot make up their mind. A set of guidelines for writing a research paper in international economics, along with available resources will also be supplied by the Instructor.

CELL PHONE POLICY:

Cell phones and any other wireless communication devices including i-pod and mp3 players are not allowed in the classroom. They should be kept closed and out of sight, sound and mind. Laptops are not needed inside the classroom. Any student found using their laptop for any purpose other than educational purposes will be summarily dismissed from the classroom. Rather, you should always bring your pocket calculators and a block of quad paper for notes and graphs.

SCHEDULE OF TOPICS & READINGS

PART ONE: INTRODUCTION TO THE THEORY OF TRADE

- Introduction to the global economic environment
- Some basic tools: demand and supply and how markets work
- Consumer and producer surplus
- Effects of tariffs and non-tariff barriers
- The pure theory of trade & Gains from trade
- Protectionism and political economy of trade
- Game theory and multilateral trade agreements

First Assignment Due (5th week of classes)

First Class Test (6th week of classes)

PART TWO: BALANCE OF PAYMENTS AND EXCHANGE RATE DETERMINATION

- A country's balance of payments
- A country's net international investment position
- Determination of exchange rates and the foreign exchange market
- Exchange rate regimes and exchange rate policy
- Optimal currency areas
- The international monetary system and the US dollar
- The role of international institutions: IMF, WB, WTO, BIS, G8, G-20
- International trade imbalances and global financial crises

Second Assignment Due (11th week of classes)

Second Class Test (12th week of classes)

PART THREE: SPECIAL TOPICS (Only some of these topics will be treated in any one term)

- The North American Free Trade Agreement (NAFTA)
- The European Union (EU) the euro-zone and the euro
- The Rise of Asia
- The Doha round of trade negotiations
- The Global financial crisis
- The European sovereign debt crisis
- The geopolitical economy of oil and natural resources
- Canada's Trade Policy Since Confederation
- Agriculture and the challenge of avoiding a global food crisis
- Globalization and economic development: benefits from and challenges posed by globalization
- Kyoto Agreement: The global economic challenges posed by climate change and environmental degradation

Term Paper Due: Thursday, November 24, 2011