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Office hrs: Mon. 10:00-12:00, Wed. 10:00-11:30


Grading: There will be two midterm exams and a final exam in the course. The exams will include problems, essays, and multiple choice questions. Each exam will make up approximately one-third of the final course grade.

Course Outline

Section I. International Trade
A. Classical Trade Theory- Absolute & Comparative Advantage 1, 2
B. More Modern Theories of Trade- Derivation of Trade Offer Curves, Heckscher-Ohlin Theorem, Effects of Market Imperfections on Trade 3, 4
C. Alternative Theories of Trade 5

Section II. International Finance
A. Exchange Rates- Clearing of International Payments, Determination of Exchange Rates, Exchange Rate Stabilization 6
B. Balance of Payments & Balance of Payments Adjustments 7, 8

Section III. International Economic Relationships
A. International Capital Flows- arbitrage Foreign Direct Investment, Speculation 9, 10
B. International Credit and Banking Markets- Development of Eurocurrency Markets, International Debt 11

Section IV. Trade Restrictions
A. Tariffs and their Impact 13
B. Non关税 Trade Restrictions 14
C. Arguments on Trade Restrictions 15
D. U.S. Trade Policy 16

Section V. Multinational Firms
A. Determinants of Direct Foreign Investment 21
B. Alternatives and Impacts of FDI 22

Section VI. Framework of the International Monetary System
A. The International Gold Standard 23
B. Bretton Woods- IMF and the World Bank 24
C. Global Inflation and International Monetary Reform 25