

**International Economics & Policy**  
**ECON 3403-001**  
Fall 2017

---

**Instructor:** William Ridley ([William.Ridley@colorado.edu](mailto:William.Ridley@colorado.edu))

**Office:** ECON 401 (north tower office)

**Office Hours:** M/T/Th 11am–noon and by appointment

**Class Time and Location:** T/Th 12:30pm–1:45pm, CLRE 207

**Class Website:** <http://learn.colorado.edu>

**TA:** Joshua Schabla

**Office:** ECON 309B

**Office hours:** T/Th 2:30pm–3:30pm

---

## **Course Description**

International Economics is a course that covers essential economic concepts relating to the international economy and important developments in the global economy. The economic theory emphasized in the class will give the student a better understanding of the foundations for international trade. Understanding this material will allow students to relate the importance of trade to political and cultural relations.

In this course we undertake an in-depth study of the theories, policies, and institutions of international trade and finance. We have three basic objectives. The first is to build an analytical framework within which we can develop a logical approach to investigating international economics. The idea is for us to "think like economists," an approach that gives students both a sound basis for understanding the complexities of international commerce and the objectivity needed for assessing various policy proposals.

The second goal is to gain a fuller appreciation of the complicated economic interrelationships that link nations and peoples. Consider, for example, the important impacts the emergence of China as a major trader has on global labor markets. Similarly, contemplate claims that the growth of international trade damages the global environment and countries should not have to trade with other countries that tolerate abusive working conditions. For another issue, why do the economies of the European Union and Japan continue to stagnate? These are complex issues without easy answers, but it certainly helps to have a coherent framework for thinking about them.

The final objective is to use this opportunity to become better informed about the world surrounding us. For example, it is not enough just to know how trade barriers work. We should investigate also why such policies exist and how costly or beneficial they are.

## **Textbook**

*International Economics* 9th edition, by Steven Husted and Michael Melvin.

Due to time constraints we will not cover the entire textbook. In cases where only parts of a chapter are assigned you will not be responsible for the remaining parts of the chapter.

## Prerequisites

This course is designed for students who are not Economics majors, but requires ECON 2010 and ECON 2020 or equivalent. Please speak to me if you do not meet any of the prerequisites.

## Attendance

I do not take attendance in this class—you're all (legally) adults and it's your decision to make whether attending is worth your while. That said, it is crucial that you make the effort to attend every lecture. If you do miss a lecture, you should talk to a classmate about the material that you missed or come see me at office hours.

## Grading

Homework	30%
Midterm 1	20%
Midterm 2	20%
Final Exam	30%

### Homework

There will be 5 homework sets assigned throughout the semester. Homework assignments will build on the material from lecture. Each assignment will be given equal weight toward your overall homework grade. Feel free to consult with others on the homework, but you must turn in your own original work.

### Exams

There will be 3 exams in total—two midterms and a final. Any material covered in lecture or on the homework is fair game for the exams. ***There will be no makeups for missed exams—if you miss an exam with a valid excuse your other exams will be reweighted. The final may not be dropped for any reason.***

The first exam will take place on Thursday, September 28th, and will cover the chapters on basic models of international trade (Chs. 1–5).

The second exam is scheduled for Thursday, November 2nd, and will cover the chapters relating to trade barriers, trade agreements, and economic growth (Chs. 6–10).

The final exam will take place on Monday, December 18th, and will be cumulative, but with an emphasis on the chapters relating to the balance of payments and international finance (Chs. 11–15).

All exams will take place in our regular classroom.

### Grading Scale (final percentages are rounded up to the nearest number)

Final %	Grade	Final %	Grade	Final %	Grade
93–100	A	80–82	B-	67–70	D+
90–92	A-	77–79	C+	60–66	D
87–89	B+	73–77	C	0–59	F
83–86	B	70–72	C-		

## Cheating Policy

**If you cheat in my class, you are entering a world of pain.** I automatically refer all suspected instances of cheating to the Honor Code Council, and if caught you will receive a zero in the course. In summary, do not cheat in my class.

## Important Dates

<i>Midterm 1</i>	Thursday, September 28th
<i>Midterm 2</i>	Thursday, November 2nd
<i>Fall Break</i>	Monday, November 20th to Friday, November 24th
<i>Final Exam</i>	4:30pm–7:00pm Monday, December 18th

## Tentative Topic Schedule

Topic	Week of	Textbook	Events
Introduction	Aug 28th	Ch. 1	
Basic Trade Model	Sept 4th	Ch. 2	
Classical Trade Model	Sept 11th	Ch. 3	HW1–due Sept 12th
Heckscher-Ohlin Trade Model	Sept 18th	Ch. 4	HW2–due Sept 21st
Tests of Trade Models, Review	Sept 25th	Ch. 5	MT1–Sept 28th
Tariffs	Oct 2nd	Ch. 6	
Nontariff Barriers and Arguments for Protection	Oct 9th	Ch. 7	
The WTO and Preferential Trade Agreements	Oct 16th	Chs. 8,9	HW3–due Oct 17th
Trade and Economic Development	Oct 23rd	Chs. 9,10	
Economic Development, Review	Oct 30th	Ch. 10	HW4–due Oct 31st MT2–Nov 2nd
The Balance of Payments	Nov 6th	Ch. 11	
The Foreign-Exchange Market	Nov 13th	Ch. 12	
International Monetary Systems	Nov 27th	Ch. 13	
Exchange Rates in the Short Run	Dec 4th	Ch. 14	
Exchange Rates in the Long Run	Dec 11th	Ch. 15	HW5–due Dec 7th

**Students with Disabilities**

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Center for Community N200, and <http://www.Colorado.EDU/disabilityservices>. If you have a temporary medical condition or injury, see guidelines at <http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html>.

**Religious Observance Policy**

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. If you have a conflict, please contact me at the beginning of the term so that we can make proper arrangements.

**Classroom Behavior Policy**

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity, and gender expression, age, disability, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records.

**Discrimination and Harassment Policy**

The University of Colorado at Boulder Discrimination and Harassment Policy and Procedures, the University of Colorado Sexual Harassment Policy and Procedures, and the University of Colorado Conflict of Interest in Cases of Amorous Relationships Policy apply to all students, staff, and faculty. Any student, staff, or faculty member who believes s/he has been the subject of sexual harassment or discrimination or harassment based upon race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127, or the Office of Student Conduct (OSC) at 303-492-5550. Information about the ODH, the above referenced policies, and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.

**Honor Code**

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion).