

International Economics: Syllabus

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Course description:

This is an undergraduate course in international economics. We will cover both international trade and international finance. Our goal is to enable you to critically analyze those economic issues that result from a country's interaction with the outside world: trade with other countries, international factor movements, supranational economic integration, current account imbalances, exchange rate volatility, currency crises to name but a few prominent examples.

Prerequisites:

Economics 300 (Micro) is a prerequisite for this class. Furthermore, it is recommended that you have taken Economics 301 (Macro).

Textbook:

The required text for this class is *International Economics: Theory and Policy* by Paul R. Krugman and Maurice Obstfeld, 6th edition, Addison-Wesley, 2003. Supplementary readings will be provided as we go along.

Coursework and grading:

- 1 midterm exam: 30% of overall grade
- 6 homeworks: 25% of overall grade (5 percent each, drop one)
- Final exam: 45% of overall grade

Important dates:

- Midterm exam: Tuesday, 10/21/03 (during regular class time)
- Homeworks due: 9/11, 9/25, 10/9, 11/6, 11/20, and 12/9 (at the beginning of class).

- Final exam on Wednesday 12/17, 7–10 PM (section 2) / Friday 12/19, 1:30–4:30 (section 3).

Logistics:

- The class meets twice a week, on Tuesdays and Thursdays, 12:30–1:50 (section 2) / 2–3:20 (section 3), in Armory room 328.
- You find the class website at <http://willmann.bwl.uni-kiel.de/~gerald/econ328> where I will post most of the class material.
- There will be weekly hand-outs specifying what we will cover each week, the recommended readings, plus providing practice problems.
- Students with particular needs should see me at the beginning of the course.

Outline:

1. Classical trade theory
2. New trade — increasing returns
3. International factor mobility
4. Trade policy and gains from trade
5. Economic integration
6. Balance of payments and national income accounting
7. Monetary approach to the exchange rate
8. Currency crises
9. International monetary system