

INTERNATIONAL ECONOMICS (ECON 405)

Buena Vista University, Spring 2011

Instructor: Jeremy Horpedahl

Email: horpedahl@bv.edu

Office Phone: (712) 749-2422

Cell Phone: (605) 670-0576

Office Hours: Monday 1:00-2:00pm, Tuesday 1:15-3:00pm, Wednesday 1:00-2:00pm

This syllabus represents the constitutional contract between student and instructor. Please read it carefully and sign the last page to indicate understanding and agreement. Minor changes may be made at the instructor's discretion.

COURSE DESCRIPTION

Catalog Description: A view of international economic activity including trade theory and policy, exchange rates, and economic growth.

Expanded Description: The course will focus on two areas: international development and international trade. For international development we will attempt to learn why some countries are rich, some are poor, and how some poor countries have become rich. For international trade we will examine how economic principles may change when goods or people cross political borders. We will also discuss international trade policy, i.e., when the political system is used to encourage or discourage economic activity across borders.

PREREQUISITE

ECON 205: Microeconomics and ECON 206: Macroeconomics

READINGS

The main textbook is *International Economics* (14th ed.) by Thomas Pugel. The second required book is *Making Poor Nations Rich*, edited by Benjamin Powell. Additional readings are listed in the Course Outline below.

ATTENDANCE

Regular attendance is expected, and a portion of your grade (quizzes) can only be obtained by attending class. While there is no separate attendance component of your grade, the reading quizzes serve as a close substitute.

GRADES

Examinations (20% each): There are three examinations, based primarily on material covered in lectures, as well as the assigned readings. Makeup exams are only given for extreme, unforeseeable circumstances such as medical or family emergencies.

Research Project (20%): Throughout the semester, each student will be working on a major research project. The project will include several drafts of a paper, as well as several

presentations, and your final grade is based on all of these components. Each student will select one country that was recently poor (1950 per capita income of less than \$1,000 in present-day dollars), but which has since achieved sustained economic growth (averaging greater than 2% since 1950). Several paper-related deadlines are listed in the Course Outline below, and any late assignments will result in a 2% per day penalty. The final paper must be 2,500-3,000 of body text, with a minimum of three academic sources.

You are also strongly encouraged to present your research on Scholars Day, April 15.

Quizzes (10%): Quizzes will not be announced in advance, but it is in your interest to expect one every class. They will be very short and cover the assigned readings for the day. No makeup quizzes will be given, but your lowest score will be dropped.

Homework (10%): Five homework assignments are to be completed over the course of the semester. Due dates are listed in the course outline. Late assignments incur a penalty of 10% plus an additional 2% for each 24-hour period.

The grading scale is:

≥ 90%	A
≥ 80%	B
≥ 70%	C
≥ 60%	D (lowest passing grade for P/NC)
< 60%	F

NOTICES

Academic Honesty: As stated in the Academic Catalog, “Buena Vista University believes that personal integrity and academic honesty are fundamental to scholarship. ... Any attempt to cheat, misrepresent someone else’s work as one’s own, receive credit for work one did not do, obtain an unfair advantage over other students, or aid another student to do the above will be considered a breach of academic integrity.” This statement is taken seriously in this class. You are encouraged to read the academic honesty policy in the Academic Handbook (page 20-22, <http://www.bvu.edu/academics/catalog/>), though most of this is common sense to a responsible adult such as yourself. Violations result in a failing grade for the course.

Disability Accommodations: BVU complies with Section 504 granting accommodations for students with disabilities who have appropriate documentation. If you have a disability, contact the Director of the Center for Academic Excellence for assistance or to fill out paperwork requesting accommodations. Also please see me in private within the first week of class.

Laptop Policy: Laptops are only permitted in class for note-taking purposes, unless otherwise instructed during lecture.

COURSE OUTLINE

Date	Topic	Readings (to be read <i>before</i> class)	Assignments Due	
January	26	Introduction		
	28	Micro Review		
	31	Macro Review		
February	2	Entrepreneurship	Powell Chs. 2-4	
	7	Economic Institutions	Powell 5 "Economic Freedom of the World"	
	9	Development Failures	Powell 6-7 and 9	
	14	Development Successes	Powell 10-11	
	16	Development Successes II	Powell, "East Asian Miracle" Powell 13-14	Homework 1
	21	Review for Exam		Paper Topic
	23	First Exam		
	28	Return Exam	Pugel 1	
March	2	Basic Trade Theory: Supply and Demand	Pugel 2	
	7	Comparative Advantage	Pugel 3	
	9	Factor Availability and Proportions	Pugel 4	Homework 2
	14	Presentations		First Paper Draft
	16	Presentations		
	21-23	<i>No Class - Spring Break</i>		
	28	Who Gains and Who Loses?	Pugel 5	
	30	Scale Economies and Imperfect Competition	Pugel 6	
April	4	Growth and Trade	Pugel 7	Homework 3
	6	Review for Exam		
	11	Second Exam		

	13	Analysis of a Tariff	Pugel 8	
	18	Nontariff Barriers	Pugel 9	
	20	Arguments for and Against Protection	Pugel 10	
	25	<i>No Class – Easter Break</i>		
	27	Pushing Exports	Pugel 11	Homework 4
May	2	Trade Blocs and Trade Blocks	Pugel 12	
	4	Trade Policies for Developing Countries	Pugel 14	
	9	International Factor Movements	Pugel 15	
	11	Presentations		Final Paper Draft and Homework 5
	17	Final Examination	2:45pm	

Instructor

Student