

INTERNATIONAL ECONOMICS
ECONOMICS EC2167B-001
Department of Economics
Western University

January 2023

Instructor: Curtis Aquino
Office: By-appointment
E-mail: caquino@uwo.ca
Meeting times: Thursdays from 7-10PM in SSC-2028
Office hours: 5-6:30PM on Wednesdays

- Office hours will be held online over Zoom **by-appointment**
- Additional hours can be accommodated if necessary
- Depending on student needs, check OWL for updates that:
 - Additional drop-in sessions may be scheduled
 - By-appointment office hours may be converted to drop-in sessions

Course website: <https://owl.uwo.ca/portal>
Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite/Antirequisite Note:

The prerequisites for this course are **Economics 1021 and Economics 1022, or Economics 2001**. The antirequisites for this course are **Economics 2163, Economics 2164, and Economics 3352**. In addition, you should be very comfortable with basic **algebra and geometry**. This course will make heavy use of these tools.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

This course consists of two parts: 1) international trade and 2) international finance. In the first part we will study the main determinants of the global flows of goods and services, through international trade, of people through migration, and of capital through foreign direct

investment. In order to do so, a survey of the different models of trade and factor mobility will be discussed. We will analyze the main predictions of the models, as well as the different policies implemented by the countries. The second part of the course will be related to international finance. We will cover topics such as exchange rate determination and macroeconomic policy under different exchange rate regimes.

Course Learning Outcomes:

By the end of this course, students will learn to:

- Analyze the determinants of comparative advantage and international trade in common theories of international trade
- Asses the main predictions of the different international trade theories and compare them to data
- Evaluate the effects of tariffs, impediments to trade and policies through the lens of the different models covered in class
- Use models of foreign exchange determination to explain currency fluctuations
- Examine the evolution and implications of current exchange rate regimes

Textbook and Course Materials:

Feenstra Robert C. and Taylor, Alan M. (2014). *Essentials of International Economics* (third edition) New York, NY. Worth Publishers. Any edition is fine though.

Assessments and Grading:

The course will be based on four quizzes, a midterm, and an exam. Each quiz is worth 2.5% and is meant to be a way to practice the material for the midterm and exam. The midterm is worth 40% and the exam is cumulative and worth 50%. All assessments will be delivered in-person. The material for all assessments consists of the topics covered in the text, any assigned readings and the material covered in the lectures. Some of the topics covered in the lectures, including problems done in class, may not appear in the text. Students are reminded that they are responsible for this material.

Students with approved accommodations for missed assessments will have weight transferred to the final exam. Missed assessments without approved accommodations will be given a grade of zero with no make-up. Students with approved accommodations for missing the final exam will write the exam at a time set by the department after the semester ends. Any student that misses the make-up exam will receive an INC and can complete the exam the next time the course is offered.

Schedule:

A **tentative** schedule of the course is listed below. Check OWL for any changes.

Class	Week	Chapter Covered	Due	Coverage
1	01/09	2		
2	01/16	3		
3	01/23	4	PS1	Ch. 2, 3
4	01/30	5		
5	02/06	6	PS2	Ch. 4, 5
6	02/13	7/8		
Spring Break				
7	02/27		Midterm	Ch. 2, 3, 4, 5, 6
8	03/06	8/9		
9	03/13	10	PS3	Ch. 7, 8
10	03/20	11		
11	03/27			
12	04/03	12	PS4	Ch. 9, 10, 11
13	04/10	Review		

The “Due” column refers to the assessment that will take place that week. All assessments will be in-person during class time. Quizzes will begin at 8:45PM and will be collected at 9:45PM. The midterm will begin at 7PM and be collected at 8:30PM. These times may change. Be sure to check OWL regularly for updates.

Course Outline:

In this course, we will cover the chapters 2 – 12 from Essentials of International Economics of the third edition. Again, you can use any edition – the corresponding chapter numbers may be slightly different, but the material is the same.

Part I: International Trade

- Chapter 2: The Ricardian Model
- Chapter 3: The Specific-Factors Model
- Chapter 4: The Heckscher-Ohlin Model
- Chapter 5: Migration of Labor and Capital Mobility
- Chapter 6: Imperfect Competition and Trade
- Chapter 7: Import and Tariff Quotas Under Perfect Competition
- Chapter 8: Import and Tariff Quotas Under Imperfect Competition
- Chapter 9: International Trade Agreements

Part II: International Finance

- Chapter 10: Introduction to Exchange Rates
- Chapter 11: Exchange Rate Determination: The Monetary Approach
- Chapter 12: Exchange Rate Determination: The Asset Approach

Professionalism, Privacy and Copyright:

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by **copyright**. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.
- Students are expected to follow online etiquette expectations provided on OWL
- Students will be expected to take an academic integrity pledge before some assessments
- Some sessions may be recorded by the instructor. Recorded sessions will remain within the course site or be unlisted if streamed

Communication:

- Students should check the course OWL site for newly posted course material at the start of each week (Monday, except in the case of a holiday)
- Students should check OWL announcements multiple times per week.
- Some important announcements will also be emailed to students' UWO email accounts. Students are expected to check their UWO email daily.
- For questions related or unrelated to course content, please contact the instructor via email from your UWO email account. Students will receive a response in 24 – 48 hours.

Please Note
Department & University Policies for Winter 2023

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped, or accepted by staff. Students must submit assignments to the instructor.
6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14. **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals. The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.

7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following **add and drop deadlines**:
 - Deadline to add a second term half course: **Tuesday, January 17, 2023**
 - Deadline to drop a second term half course: **Tuesday, March 7, 2023**

Policy Regarding Makeup Tests and Final Examinations

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

Policies Regarding Academic Accommodation

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see http://academicsupport.uwo.ca/accessible_education/index.html), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).
- **Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks is **not** permitted. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with tests or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here:
https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf
- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons.
- **Western University policy on Consideration for Student Absence** is available here:
https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html
- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

Policy Regarding Class Attendance and Engagement:

If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

Statement on Mental Health and Support Services:

Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.

Statement on Remote Proctoring:

While Western intends to hold most classes, mid-terms, and finals in person, the London-Middlesex Health unit may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.

