

International Economics (F000161)

Due to Covid 19, the education and evaluation methods may vary from the information displayed in the schedules and course details. Any changes will be communicated on Ufora.

Course size (nominal values; actual values may depend on programme)
Credits 5.0 Study time 150 h Contact hrs 45.0 h

Course offerings and teaching methods in academic year 2020-2021

A (semester 1)	Dutch	Gent	teaching methods	hours
			online discussion	5.0 h
			group lecture	40.0 h
			online lecture	0.0 h

Lecturers in academic year 2020-2021

Rayp, Glenn	EB21	lecturer-in-charge
Ruysen, Ilse	EB21	co-lecturer

Offered in the following programmes in 2020-2021

programme	crdts	offering
Bachelor of Arts in History	5	A
Bachelor of Science in Economics	5	A
Bachelor of Science in Business Economics	5	A
Linking Course Master of Science in Economics	5	A
Preparatory Course Master of Science in Economics	5	A

Teaching languages

Dutch

Keywords

International trade, international trade policy, regional integration, capital flows, world economy, World Trade Organisation

Position of the course

Every course International Economy tries to give an answer to two questions. First, why do countries trade and second, how countries can maximise the gains from international trade. The first part of the course, 'theory of international trade', deals with the first question.

The second question is the subject of the second part of the course, 'international trade policy'. International economy I is a basic course that makes students familiar with the 'traditional' theory of international trade, the basics of 'modern' trade theory, international trade policy and the principles and organisation of the WTO.

Contents

The following chapters are dealt with :

1 Theory of international trade:

- absolute and comparative advantage as basis for international trade and the classic Ricardian model;
- Neo-classical trade theory : Heckscher-Ohlinmodel (Heckscher- Ohlin theorem, factor price equalization, Stolper-Samuelson and Rybczynski effect);
- Modern international trade theory : scale economies, product differentiation and competition effect as advantages of international trade
- Does theory explains facts ? Indicators of international trade and empirical evidence on the Heckscher- Ohlinmodel (Leontief paradox, with recent studies).

2 Foreign direct investments, multinational corporations and migration;

- 3 International trade policy
 - the instruments of trade policy (tariffs, subsidies and quota) and the effective rate of protection;
 - welfare analysis of trade intervention:
 - in a partial equilibrium analysis (for small and big countries);
 - in a general equilibrium analysis (for small and big countries);
 - motives for protection
 - The institutions of international trade : GATT and WTO.
- 4 Regional economic integration.
- 5 International macro-economic policy co-ordination
Historical review of the most important international and economic developments after World War II and current policy issues, the IMF and the World Bank.

Initial competences

Economics (e.g. Samuelson), basic micro-economics.

Final competences

- 1 Understanding and explaining analytically inter- and intra-industry trade flows and the welfare and income distribution issues of globalisation.
- 2 Understanding and explaining analytically the arguments in favour of and against free trade and trade interventionism (protectionism)
- 3 Understanding the basic principles and functioning of the WTO and to have insight in international trade disputes

Conditions for credit contract

Access to this course unit via a credit contract is unrestricted: the student takes into consideration the conditions mentioned in 'Starting Competences'

Conditions for exam contract

Access to this course unit via an exam contract is unrestricted

Teaching methods

Guided self-study, lecture, online discussion group, online lecture

Extra information on the teaching methods

Mainly ex cathedra lectures with illustration by means of practical examples and references to current issues in international economics.
To cope with the impact of COVID-19 the lectures will be complemented with online teaching modules on more specific course items. In a COVID 19 code red situation, all teaching will be organised online for everyone.

Learning materials and price

Appelyard, Field and Cobb, International Economics 7th Edition Mac Graw Hill. Cost: 90 EUR

References

Ethier, Modern international Economics;
Sødersten & Reed, International Economics;
Williamson, The World Economy;
Krugman & Obstfeld, International Economics, Theory and Policy

Course content-related study coaching

Course related and relevant information additional to the lectures are provided by teacher and assistant. From the intranet, () the students can obtain the slides of the course, a summary of the questions and answers with respect to the course and actual information concerning the globalisation issue. Collective questions sessions by internet with teacher and assistant are .

Evaluation methods

end-of-term evaluation and continuous assessment

Examination methods in case of periodic evaluation during the first examination period

Written examination

Examination methods in case of periodic evaluation during the second examination period

Written examination

Examination methods in case of permanent evaluation

Participation

Possibilities of retake in case of permanent evaluation

examination during the second examination period is not possible

Extra information on the examination methods

Periodic evaluation: written examination, which tests the understanding of the course.

Non-periodic evaluation: assesment of the relevance and logical consistency (structure of the argumentation) of the contributions on the discussion fora

Calculation of the examination mark

End-of-term evaluation (90%) and permanent evaluation (10%).