

Economics 3403 - International Economics and Policy  
Spring 2009 - MWF 2-2:50 - HLMS 199

Professor Robert McNown

Office: Economics 109  
Telephone: 303-492-8295

Hours: Monday 3-5, Thursday 9-11  
Email: mcnownr@colorado.edu

Teaching Assistant: Kyungsoo Oh

Office: Economics 307  
Telephone: 303-492-7617

Hours: TR 1-3  
Email: kyungsoo.oh@Colorado.edu

This course addresses a wide range of issues in international economics, encompassing topics in both trade and finance. The course is designed for those not majoring in economics, but students are expected to have completed the prerequisites of Principles of Microeconomics and Principles of Macroeconomics, or a one-semester principles course. The theory of comparative advantage will be used to analyze trade patterns among nations, gains from trade, and the effects of trade on income distributions. We will also consider political and economic aspects of trade barriers, U.S. commercial policy, connections between trade and economic development, recent trade treaties such as NAFTA and CAFTA, and the latest trade negotiations of the World Trade Organization. Financial issues covered in the course include essentials of balance of payments accounting, theories of balance of payments and exchange rate determination, effects of international capital flows, domestic consequences of interdependence with world trade and financial markets, the role of the International Monetary Fund in contemporary international financial markets, and international financial crises.

**Assignments and Evaluation**

not a single correct answer (maybe I just want your opinions on some current policy), every submitted answer counts two points.

### **Essays**

For the essay assignment I will post an article on CULearn together with suggested points for discussion. Four articles will be posted throughout the semester and each student will write

week	Topics	Readings in text	Events
1/12 - 1/16	Overview of international economics; recent trends towards globalization; fundamental tools of analysis	chapters 1,2 (pages 1-45)	
1/19 – 1/23	Comparative advantage, classical trade theory, the Heckscher-Ohlin (HO) model, gains from trade; effects of trade on income distribution	chapters 3-4 (appendices excluded)	1/19 MLK holiday
1/26 – 1/30	HO model continued, gains from trade. and effects of trade on income distribution	chapter 4	
2/2 – 2/6	Tests and extensions of basic HO trade model	Chapter 5	

**Administrative Issues**

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services (DS) early in the semester so that your needs may be addressed. DS determines accommodations based on documented disabilities (303-492-8671, Willard 322, [www.colorado.edu/sacs/disabilityservices](http://www.colorado.edu/sacs/disabilityservices)).