



HSB Mission Statement

The Hamline School of Business is an inclusive community dedicated to the professional and personal development of our students, faculty and staff and to the advancement of the common good. We achieve our mission through teaching excellence, the integration of theory and practice, and the engagement of our stakeholders to address complex issues facing the business, government and non-profit sectors. We see our mission firmly rooted within the values of the Hamline University.

ECON 3730: International Trade and Finance

[Tuesday and Thursdays 2:30pm – 4:00pm]

Location: Bush Memorial Library - Classroom 202

Instructor

Jose L. Casco

Contact Information

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Office Hours

Day/s: Tuesday and Thursdays Times: After lecture (4:15pm – 5:00pm)

Recommended Texts

- Krugman, Paul, Maurice Obstfeld, and Marc Melitz. International Economics Theory and Policy. 11ed.
- Feenstra, Robert, and Taylor, Alan M. International Trade. 4ed.

Course Description and Objectives

The purpose of this course is to provide an overview of international economics (trade, finance, and investment). The main goal is to expand students' ability to apply their knowledge of economics to analyze international trade and finance questions. We will review the main theories of international trade, trade policy issues, the effects of growth and factor mobility on trade, balance of payments, foreign exchange markets, regimes and determination, and economic policy in an open economy environment. Students will understand why countries trade, what they trade, and who gains from this trade. We will discuss practical issues and students will develop a set of skills to understand and analyze economic events and policies based on economic theory and data.

Course Overview

1. Introduction:

A brief description of the course.

Some facts about international trade.

2. Comparative advantage and the Ricardian model:

How does international trade generate gains for countries?

3. Specific factor model:

How does trade affect income across workers?

How does trade affect stakeholders across industries?

4. Heckscher-Ohlin model:

How does trade affect returns to capital and income across different types of workers?

5. Foreign Direct Investment, Multinational Firms, Offshoring and Wages:

How does foreign investment affect wages?

Why do some firms become multinationals while others do not?

What is offshoring?

How is offshoring different from earlier trends in globalization?

6. Trade Policy and political economy of trade policy:

What types of policies affect international trade and how?

How trade policies of one country affect well-being in another?

Why countries do not always maximize welfare?

Why some interest groups are favored over others?

7. Balance of Payments and Exchange rates – the basics.

8. Foreign exchange market and money market.

9. International capital markets and currency crises.

10. Economic policy in an open economy environment.

Attendance Policy

Attendance is not mandatory but strongly recommended.

Evaluation and Grading

The overall grade is determined by a weighted average of:

| | |
|----------------------------------|-------|
| Class participation & discussion | (10%) |
| Midterm | (20%) |
| Homework | (30%) |
| Final Exam | (40%) |

Course Evaluation

As a research and learning community, Hamline School of Business is committed to continuous improvement. The faculty strongly encourages students to provide complete and honest feedback for this course. Please take this activity seriously because we depend on your feedback to help us improve so you and your colleagues will benefit. Information on how to complete the evaluation will be provided towards the end of the course.

Disability Services

If you have a documented disability for which accommodations may be required in this class, please contact the director or consultant in Disability Resources ([651-523-2740](tel:651-523-2740)), located in Bush Center 105, as soon as possible to discuss accommodations. If you have already arranged accommodations through Disability Resources, please ensure submission of your accommodation letter within the first two weeks of class. Accommodations will only be provided after the letter is submitted to me and with sufficient lead-time for me to work with Disability Resources to arrange testing or other accommodations. Although I will receive the letter electronically, I expect you to initiate a conversation with me about the accommodations. For more information about university policies and services regarding students with disabilities, please visit <http://www.hamline.edu/disabilities/>.

Sexual Assault, Relationship Violence, and Stalking

Hamline University is committed to making campus a safe place for students. Because of this commitment, Hamline provides academic and other accommodations to students who have experienced any form of sexual misconduct: sexual harassment, discrimination based on gender identity or expression, and sexual violence, including sexual assault, dating/domestic violence, and stalking. Also it is important that students understand that if they tell a faculty member about such an experience, the faculty are required to contact the Title IX Coordinator. For more information about Hamline's policy www.hamline.edu/svppolicy and the resources available to you, consult Hamline's website www.hamline.edu/sexualviolence or contact our Title IX Coordinator and Associate Dean of Students, Patti Klein, 651-523-2421, pklein01@hamline.edu.

Important Academic Policies and Services

- Honor Code
- Statement of Diversity and Inclusion
- Writing Center
- Inclement Weather Policy

Students are strongly encouraged to consult Hamline University Policies at <http://www.hamline.edu/policies/>, the Academic Bulletin at <http://bulletin.hamline.edu/> and the

Center for Academic Services at <http://www.hamline.edu/offices/academic-services/> for detailed information regarding the above items.