

UNIVERSITY OF COLORADO AT BOULDER

ECONOMICS 3403 INTERNATIONAL ECONOMICS AND POLICY SPRING, 2018

Course meets MWF 10:00 - 11:50pm; Ramaley N1B23

Keith Maskus; 303-492-7588, keith.maskus@colorado.edu

Office: Economics 107

Hours: Tuesdays, 9-10; Wednesdays 3-5; and by appointment

TA: Danny Kurban

Office: ECON 309C

Hours: Tuesdays 10-11 and 12, Thursdays 10-11

serious international economics. The idea is for us to "think I

gives students both a sound basis for understanding the complexities of international commerce and the objectivity needed for assessing various policy proposals.

The second goal is to gain a fuller appreciation of the complicated economic interrelationships that link nations and peoples. Consider, for example, the important impacts the emergence of China as a major trader has on global labor markets. Similarly, think about claims that the growth of international trade damages the global environment and countries should not have to trade with other countries that tolerate abusive working conditions. For another issue, how does a fiscal crisis in the European Union affect the US economy? These are complex issues without easy answers, but it certainly helps to have a coherent framework for thinking about them.

The final objective is to use this opportunity to become better informed about the world surrounding us. For example, it is not enough to know how trade barriers work. We should investigate also why such policies exist and how costly or beneficial they are.

No single course can meet all these objectives fully. I have been studying and writing about the world economy for many years and have a good handle on its fundamental features, yet still I am sometimes overwhelmed by its complexity. Nevertheless, we can make a good start here in understanding the pieces of the international economy and how they fit together.

2. Course Structure

The course is designed for students who are not Economics majors. The prerequisites include Economics 2010 and 2020 and these requirements are enforced. Though it requires a

limited background in economics, the course will be challenging. To work through both trade and finance in a reasonably comprehensive way we will need to study a large volume of materials.

There are three 50-minute class periods per week. Portions of four periods will be devoted to in-class discussion of current policy issues. To get you thinking and involved in those, I will place on the D2L site brief policy papers I will write outlining the issues involved in each subject (see the outline below). Reading these materials and attending the related class sessions are required activities and questions about the papers will appear on examinations. There will also be five problem sets that will be required for you to work through in preparation for examinations. There will be two in-class midterm exams and a cumulative final exam, which will involve short-answer problems and brief essay questions, rather than multiple-choice questions. Some class time will be devoted to going over problem sets as they are graded.

The grading system is as follows:

1. Five graded problem sets. Each problem set is worth 6% of your grade, for a total of 30%.
2. Two 50-minute midterm exams. Each exam is worth 20% of your grade, for a total of 40%. You may miss one exam with a written medical excuse, but in such cases the other midterm and the final exam will be weighted more heavily to make up the difference.
3. One final exam, worth 30% of your grade.

The textbook is *International Economics*, 9th Edition (2013, Pearson Publishers) by Steven Husted and Michael Melvin. I chose this book because I think it has an excellent combination of analytical rigor and real-world policy examples. The book will be supplemented by lecture notes on international finance in order to explain some of those concepts. Due to time constraints we will not cover the entire textbook. In cases where only parts of a chapter are assigned you will not be responsible for the remaining parts of the chapter. Chapter appendixes are not assigned. Finally, you would find it useful to keep up with international economic events

Feb. 16

MIDTERM ONE

Covers Chs. 15 and paper 1

Feb. 19-23

