

Economics 482/582: International Economics

Spring 2011, RW 318

TR 4:00-5:50

Professor Kosteas
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Office: 1707 Rhodes Tower
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Hours: Tuesday and Thursday 2:30-3:45

Textbook and Readings

International Economics by Robert C. Feenstra and Alan M. Taylor, Worth Publishers.
Alternatively, you can buy the *International Trade* textbook with Electronic access to the full text.

Exams and Grading:

Midterm: March 10 (Chapters 2-7)	100 points
Final: May 10 (Chapters 8, 10, 11, 13-15)	100 points
Project	60 points
Quizzes	40 points

PowerPoint slides are available here:

http://academic.csuohio.edu/kosteas_b/International_Economics.html

I will assign problems for you to solve. Your ability to solve the problem sets is the best indicator (exams aside) of how well you understand the material. You will get a lot more out of these problems if you attempt them before we discuss them in class.

Sample exams are available online for each exam:

Go to my web page http://academic.csuohio.edu/kosteas_b and follow the link for this course.

Project for students in 482: Find 2-3 popular press articles (either from newspapers or news magazines) covering the same topic in international economics. First, summarize the issue and the articles' insights into the topic. Then, using the material presented and discussed in class and in the textbook discuss the information and analyses presented in the articles. The summary should be approximately two pages with a roughly three page analysis. The paper is due in class on Thursday, April 28. You must bring your topic and articles to me for approval not later than Thursday, April 14. The reports must be typed, double-spaced with normal font and one-inch margins.

Project for students in 582: You will write 3 "referee reports" throughout the course, choosing from the list below. A referee report summarizes the paper and then critiques the methodology or assumptions used by the authors. A real referee report would also indicate whether the author believes the paper should be accepted for publication; you do not have to make such a judgment (after all the paper has already been published). Your reports should summarize the paper in one page and spend the remaining 2-3 pages critiquing/analyzing the papers methodology and findings. The reports must be typed, double-spaced with normal font and one-inch margins. These papers are due in class on the Thursday of the 7th, 10th and 14th week of classes.

Note: the last day to withdraw is Friday, April 1.

Course Outline and Reading List (Tentative):	Problems
Chapter 1: Trade in the Global Economy	
Chapter 2: Trade and Technology: The Ricardian Model	2-5,8
Chapter 3: Gains and Losses from Trade in the Specific-Factors Model	3,4,7,9
Chapter 4: Trade and Resources: The Heckscher-Ohlin Model	1-3,10
Chapter 5: Movement of Labor and Capital between Countries: Migration	3,4,6,12
Chapter 6: Increasing Returns to Scale and Imperfect Competition	3,5,8,11
Chapter 7: Foreign Outsourcing of Goods and Services	2,4,7,11
Chapter 8: Import Tariffs and Quotas under Perfect Competition	2,5,10,11
Chapter 10: Export Subsidies in Agriculture and High-Technology Industries	1,3,6,7
Chapter 11: International Agreements: Trade, Labor, and the Environment	1,3,5,8
Chapter 13: Introduction to Exchange Rates and the Foreign Exchange Market	1,3,5,7
Chapter 14: Exchange Rates I: The Monetary Approach in the Long Run	2,3,5,9
Chapter 15: Exchange Rates II: The Asset Approach in the Short Run	1,2,4,7

Reserve Readings:

1. Bernard, Andrew, B., B. Jensen, S. J. Redding and P. K. Schott (2007). "Firms in International Trade." *Journal of Economic Perspectives*, Vol. 21 (3): 105-130.
2. Humels, David (2007). "Transportation Costs and International Trade in the Second Era of Globalization." *Journal of Economic Perspectives*, Vol. 21 (3): 131-154.
3. Feldstein, Martin (2008). "Resolving the Global Imbalance: The Dollar and the U.S. Savings Rate." *Journal of Economic Perspectives*, Vol. 22 (3): 113-126.