

INTERNATIONAL ECONOMICS  
ECONOMICS 2167A-001  
Department of Economics  
Western University

September 2020

**General Information:**

**Instructor:** Aldo Sandoval  
**Office:** 4012 SSC  
**Phone:** 226-927-3543  
**E-mail:** [asandov3@uwo.ca](mailto:asandov3@uwo.ca)  
**Office hours:** Friday 10:00 am to 12:00 pm (by email or by appointment)

- *Office hours will be held online using Zoom.*
- *Students can request online appointments by email.*

**Delivery mode:** *Asynchronous. Online content will be posted every week on Tuesdays.*

**Course website:** <https://owl.uwo.ca/portal>

**Undergraduate inquiries:** 519-661-3507 or SSC Room 4075 or [econugrd@uwo.ca](mailto:econugrd@uwo.ca)

**Registration:**

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

**Prerequisite Note:**

**Prerequisites:** Economics 1021A/B and Economics 1022A/B, or Economics 2001A/B.

**Antirequisites:** Economics 2163A/B, Economics 2164A/B, Economics 3352A/B, Economics 3353A/B.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

## **Course Objectives:**

This course is designed to cover three modules: 1) international trade, 2) trade policy and international agreements, and 3) international finance. In this first module, covering classes 1 to 4, students will study the main determinants of the global flows of goods and services, through international trade, of people through migration, and of capital through foreign direct investment. In the second module, students will study the set of policies through which governments can influence international trade flows, under perfect and imperfect competition. Additionally, they will learn about the importance of multilateral agreements oriented to promote free trade between countries and environmental agreements. This module will cover from class 5 to class 8. The last module covers topics of international finance. In particular, topics related to exchange rate determination and exchange rate regimes, as well as the relationship between money, prices and exchange rates. This module covers from class 9 to 12.

## **Course Learning Outcomes:**

By the end of this course, students will learn to:

- Analyze the determinants of comparative advantage and international trade in common theories of international trade.
- Assess the main predictions of the different international trade theories and compare them to real life applications.
- Evaluate the effects of tariffs, impediments to trade and policies through the lens of the different models covered in class.
- Understand the rationale behind trade and environmental agreements.
- Use models of foreign exchange determination to explain currency fluctuations.
- Understand the role of monetary policy, arbitrage and expectations in shaping the equilibrium of the foreign exchange market.

## **Required textbook(s):**

*Essentials of International Economics*. Feenstra Robert and Alan Taylor. Worth Publishers (3<sup>rd</sup> edition).

## **Communication:**

- *Students should check the course OWL site regularly to access the online material, reading lists and problem sets.*
- *A weekly update will be provided on OWL announcements*
- *Emails will be monitored daily; students will receive a response in 24 – 48 hours.*

## **Technical Requirements**

- *Laptop or computer*
- *Stable internet connection*
- *Microphone*
- *Webcam*

For technical support, see the OWL Help page or contact Western Technology Services Helpdesk (<https://wts.uwo.ca/about-wts/contact.html>). Google Chrome or Mozilla Firefox are the preferred browsers for OWL; update your browser frequently.

### **Statement on Recording of Remote Learning Sessions:**

- *Some of the remote learning sessions for this course will be recorded. The data captured during these recordings may include your image, voice recordings, chat logs and personal identifiers (name displayed on the screen). The recordings will be used for educational purposes related to this course, including evaluations. The recordings may be disclosed to other individuals under special circumstances. Please contact the instructor if you have any concerns related to session recordings*
- *Participants in this course are not permitted to record the sessions, except where recording is an approved accommodation, or the participant has the prior written permission of the instructor.*

### **Grading:**

The course will have two online tests, a quiz and a final exam. Each test will cover a module and is not cumulative. The final exam is comprehensive. The material for all tests, quiz and final exam consists of the topics covered in the online material, any assigned readings and the material covered in the problem sets. The format will consist of multiple-choice questions about the readings, and short-answer problems requiring numeric responses. The duration of each online test and quiz will be no more than 2 hours and the final exam will be 2.5 hours.

The distribution of the marks is as follows:

Online test I	25%
Online test II	25%
Online quiz III	14%
Final	36%

Exam dates:

Online test I:	TBA
Online test II:	TBA
Online quiz III:	TBA
Final exam:	Set by registrar

- *If you miss one online test (including the quiz) due to a valid reason approved by your academic counselor or SRA, the weight of the missed test will be allocated to the next online test. If you miss online quiz III, the weight will be allocated to the Final exam. If you miss the Final Exam, I will arrange a makeup exam within one week of the Final Exam.*
- *The tests, quiz and final exam are open book and open notes.*
  - *“During exams students are forbidden to communicate with any person other than an examination proctor or the instructor.”*

- “Students are forbidden from using any communication equipment such as a cell phone, computer programs or software, online resources or websites, or other aids unless authorized by the instructor; such authorization must be stated explicitly during the examination.”
- *Tests and examinations in this course will be conducted using Zoom. You will be required to keep your camera on for the entire session, hold up your student card for identification purposes, and share your screen with the invigilator if asked to do so at any time during the exam. The exam session will not be recorded.\**

*More information about the use of Zoom for exam invigilation is available in the Online Proctoring Guidelines at the following link:*

<https://www.uwo.ca/univsec/pdf/onlineproctorguidelines.pdf>

*Completion of this course will require you to have a reliable internet connection and a device that meets the system requirements for Zoom. Information about the system requirements are available at the following link:*

<https://support.zoom.us/hc/en-us>

*\* Please note that Zoom servers are located outside Canada. If you would prefer to use only your first name or a nickname to login to Zoom, please discuss this with your instructor in advance of the test or examination.*

- *I will conduct exam review sessions the next week after each examination.*

### **Course outline and schedule:**

	<b>Class number</b>	<b>Week</b>
<b>Module I: International trade</b>		
The Ricardian model	Class 1	Sep. 9 <sup>th</sup> to Sep. 12 <sup>th</sup>
The Specific-Factors model	Class 2	Sep. 13 <sup>th</sup> to Sep. 19 <sup>th</sup>
The Heckscher-Ohlin model	Class 3	Sep. 20 <sup>th</sup> to Sep 26 <sup>th</sup>
Migration of labor and capital mobility	Class 4	Sep. 27 <sup>th</sup> to Oct. 3 <sup>rd</sup>
<b>Module II: Trade policy and international agreements</b>		
Imperfect competition and trade	Class 5	Oct. 4 <sup>th</sup> to Oct. 10 <sup>th</sup>
Import tariffs and quotas under perfect competition	Class 6	Oct. 11 <sup>th</sup> to Oct. 17 <sup>th</sup>
Import tariff and quotas under imperfect competition	Class 7	Oct. 18 <sup>th</sup> to Oct. 24 <sup>th</sup>
International trade agreements	Class 8	Oct. 25 <sup>th</sup> to Oct. 31 <sup>st</sup>

	Class number	Week
<b>Module III: International finance</b>		
Exchange rates and foreign exchange market	Class 9	Nov. 8 <sup>th</sup> to Nov. 14 <sup>st</sup>
Exchange rate determination: the monetary approach (quantity model)	Class 10	Nov. 15 <sup>th</sup> to Nov. 21 <sup>st</sup>
Exchange rate determination: the monetary approach (general model)	Class 11	Nov. 22 <sup>nd</sup> to Nov. 28 <sup>th</sup>
Exchange rate determination: the asset approach	Class 12	Nov. 29 <sup>th</sup> to Dec. 5 <sup>th</sup>

### **Professionalism, Privacy and Copyright:**

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by **copyright**. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent.
- Recordings (audio or video) are not permitted without explicit, written permission. Permitted recordings may not be distributed or shared.
- Students will be expected to take an academic integrity pledge before some assessments.

### **Tips on How to Be Successful in this Class:**

Students in this class should understand the level of autonomy and self-discipline required to be successful.

- Make it a daily habit to log onto OWL to ensure you have seen everything posted to help you succeed in this class.
- Treat this course as you would a face-to-face course. Take notes as you go through the lesson material. Keeping handwritten notes or notes in a regular Word document will help you learn more effectively than just reading or watching.
- Although the problem sets are not graded. It is very important to work on them every week to get enough practice.
- Connect with others. Try forming an online study group and meet on a weekly basis for study and peer support.
- Do not be afraid to ask questions. If you have questions or are struggling with a topic, contact the instructor and take advantage of the resources available, such as virtual office hours.

**Please Note**  
**Department & University Policies for 2020-2021**

The University expects all students to take responsibility for their own Academic Programs. Students should check their registration to ensure they are enrolled in the correct courses.

**Academic Rights and Responsibilities:** Students should be familiar with their “Academic Rights and Responsibilities” as outlined [here](#) in the Western Academic Calendar. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated procedures.

**Guidelines and Policies for Students** are posted online in the current Western Academic Calendar at <http://westerncalendar.uwo.ca>. Undergraduate information for the Faculty of Social Science can be found at: <https://www.ssc.uwo.ca/undergraduate/index.html> and for the Department of Economics at: <https://economics.uwo.ca/undergraduate/index.html>.

**Rules of Conduct for Examinations:** Students are expected to know the university’s Rules of Conduct for Examinations, available [here](#).

**Cheating and Academic Offences:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating and other academic offences very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in Economics courses or programs. The University may impose further penalties such as suspension or expulsion.

**Plagiarism:** Plagiarism is an academic offence. Students must write their essays and assignments in their own words. Ideas/passages taken from another author must be referenced with footnotes or citations and acknowledged with quotation marks where appropriate. Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3. See Scholastic Discipline for Undergraduate Students [here](#) in the Western Academic Calendar.

**Academic Appeals:** Students should refer to the Student Academic Appeals section [here](#) in the Western Academic Calendar. Please note the relevant deadlines.

**Department Appeals Procedures:** The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may submit a written appeal to the Undergraduate Director in Economics, stating the reasons for their appeal. Information on the Department of Economics’ appeals procedure and the appeals form are available [here](#).

**Systematic Adjustments:** Systematic adjustments of class grade distributions (either up or down) can occur in Economics courses. The systematic adjustment of a class grade distribution is **not** grounds for an appeal.

**Add/drop deadlines:**

Deadline to add a first term half course:

**Thursday September 17, 2020**

Deadline to drop a first term half course:

**Thursday November 12, 2020**

**Oversleeping or Misreading the Exam Schedule:** Faculty of Social Science policy states that oversleeping or misreading the exam schedule is NOT grounds for a makeup. This rule applies to all exams in the Department of Economics.

**End of Term Travel:** Students must book travel arrangements AFTER final exam dates have been posted; travel is not an acceptable excuse for absence from a final exam.

**Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted.

**Accommodation Policies:** Students with disabilities should work with Accessible Education (formerly SSD), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).

**Academic Consideration for Student Absence:** Students will have up to two (2) opportunities during the regular academic year to use an on-line portal to self-report an absence during the term, provided the following conditions are met: the absence is no more than 48 hours in duration, and the assessment for which consideration is being sought is worth 30% or less of the student's final grade. Students are expected to contact their instructors within 24 hours of the end of the period of the self-reported absence, unless noted on the syllabus. Students are not able to use the self-reporting option in the following circumstances:

- for exams scheduled by the Office of the Registrar (e.g., December and April exams)
- absence of a duration greater than 48 hours
- assessments worth more than 30% of the student's final grade
- if a student has already used the self-reporting portal twice during the academic year

If the conditions for a Self-Reported Absence are *not* met, students will need to provide a Student Medical Certificate if the absence is medical or provide appropriate documentation if there are compassionate grounds for the absence in question. Students are encouraged to contact their Faculty academic counselling office for more information about the relevant documentation. It is strongly recommended that students notify the instructor as soon as possible, ideally before the assessment, when they become aware of an absence. University policy is that students must communicate with their instructors no later than 24 hours after the end of the period covered by the SMC or immediately upon their return from their documented absence. Failure to follow University policy and procedures may result in denial of academic accommodation and a grade of zero.

Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons. **All required documentation for absences that are not covered by the Self-Reported Absence Policy must be submitted to the Academic Counselling office of a student's Home Faculty.**

For Western University policy on Consideration for Student Absence, see:  
[Policy on Academic Consideration for Student Absences - Undergraduate Students in First Entry Programs.](#)

For the Student Medical Certificate (SMC), see:  
[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf).

**Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

**Policy Regarding Class Attendance and Engagement:** If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

**Statement on Mental Health and Support Services:** Students under emotional/mental distress should visit [http://uwo.ca/health/mental\\_wellbeing/](http://uwo.ca/health/mental_wellbeing/) for more information and a complete list of resources on how to obtain help.