

International Trade and Finance

Section 1

Instructor	Dr. Sheng-Ping Yang
Office/Building	Main Building
Office Hours	By appointment and to be determined after class begins

【Course Outline / Description】

A study of the fundamentals of international trade and finance. Topics include theory of international trade; trade policy and protectionism; regional trade agreements; international factor movements and multinational enterprises; foreign exchange markets; balance of payment; the international monetary system; international finance; banking, risk, and the world debt, the World Trade Organization, and macroeconomic policy in an open economy. Emphasis will be on understanding the impacts of globalization and policies in a global community.

Section 2

【Course Objectives/Goals/Learning Outcomes】

The course provides the basic concepts and principles of international trade and finance, and the objective is to familiarize students with the fundamental concepts and analytical tools of Financial Management used by professionals. Upon successful completion of the course, students should be able to:

1. understand the basis for international trade as well as the alternative theories of modern trade;
2. identify the importance of factor movements across borders and their significance for policy in an interdependent world;
3. examine a model in which countries benefit from trade when there is increasing returns to scale in production;
4. examine the trade policy and protectionism and their impact upon individual countries and the global community;
5. understand globalization and its impact in the global community;
6. understand the fundamentals of foreign exchange markets, balance of payments, and international monetary systems;
7. examine the impact of foreign exchange upon a nation's income and employment;
8. analyze the macroeconomic model of an open economy.

Section 3

【Class Schedule/Class Environment, Literature and Materials】

Lesson	Date	Schedule of Instruction	Work outside of classroom activities
1	1/26	Introduction to the Course	
2	1/31	The Global Economy	Reading: Chapter 2 Learning Curve for Chapter 2 (LC2)
3	2/2	Trade and Technology: The Ricardian Model	Homework: End of Chapter Problems (EOC2) and LC3
4	2/7	Gains and Losses from Trade in the Specific-Factors Model	Reading: Chapter 3
5	2/9	Gains and Losses from Trade in the Specific-Factors Model	Homework: EOC3 and LC4
6	2/14	Trade and Resources: The Heckscher-Ohlin Model	Reading: Chapter 4
7	2/16	Trade and Resources: The Heckscher-Ohlin Model	Homework: EOC4 and LC5

2023 Spring Semester

8	2/21	Movement of Labor and Capital between Countries	Reading: Chapter 5
9	2/28	Movement of Labor and Capital between Countries	Homework: EOC5 and LC6
10	3/2	Increasing Returns to Scale and Monopolistic Competition	Reading: Chapter 6
11	3/7	Increasing Returns to Scale and Monopolistic Competition	Homework: EOC6 and LC8
12	3/9	Import Tariffs and Quotas under Perfect Competition	Reading: Chapter 8
13	3/14	Import Tariffs and Quotas under Perfect Competition	Homework: EOC8
14	3/16	Midterm Exam	
		Spring Break (March 18-26)	
15	3/28	Import Tariffs and Quota under Imperfect Competition	Reading: Chapter 9 Homework: LC9
16	3/30	Import Tariffs and Quota under Imperfect Competition	Homework: EOC9 and LC11
17	4/4	International Agreements: Trade, Labor, and the Environment	Reading: Chapter 11
18	4/6	International Agreements: Trade, Labor, and the Environment	Homework: EOC11 and LC13
19	4/11	Introduction to Exchange Rates and the Foreign Exchange Market	Reading: Chapter 13
20	4/13	Introduction to Exchange Rates and the Foreign Exchange Market	Homework: EOC13 and LC14
21	4/18	Exchange Rates I: The Monetary Approach in the Long Run	Reading: Chapter 14
22	4/20	Exchange Rates I: The Monetary Approach in the Long Run	Homework: EOC14 and LC15
23	4/25	Exchange Rates II: The Asset Approach in the Short Run	Reading: Chapter 15
24	4/27	Exchange Rates II: The Asset Approach in the Short Run	Homework: EOC15 and LC16
25	5/2	National and International Accounts: Income, Wealth, and the Balance of Payments	Reading: Chapter 16
26	5/9	National and International Accounts: Income, Wealth, and the Balance of Payments	Homework: EOC16 and LC18
27	5/11	Output, Exchange Rates, and Macroeconomic Policies in the Short run	Reading: Chapter 18
28	5/16	Output, Exchange Rates, and Macroeconomic Policies in the Short run	Homework: EOC18
29	5/18	Review for the Final Exam	
30	5/22-	Final Exam	

2023 Spring Semester

【Textbooks/Reading Materials】

International Economics with Achieve, 5th ed, 2021, Feenstra & Taylor, ISBN-13: 978-1-319-428-181

You can enroll in Achieve and access the eBook at the following website.

<https://achieve.macmillanlearning.com/courses/4mg9cz>

Section 4

【Learning Assessments/Grading Rubric】

Pre-Class Exercise (Learning Curve) 10%

Homework Assignment 30%

Midterm Exam 30%

Final Exam 30%

LEARNING CURVE. A pre-chapter learning activity is an adaptive quizzing system using a game-like interface to guide students through a series of questions catered to their individual level of understanding of course material. The goal of Learning Curve is to fill up the progress bar by answering questions correctly.

- **HOMEWORK.** Homework will be assigned and open on Achieve upon completion of a chapter. Each assignment will consist of 2-5 questions selected from the end-of-chapter problems of each chapter. You can complete the assignment in multiple attempts, but each additional attempt will result in a 5% penalty.
- **EXAMS.** There will be a midterm and final exam. The exams will consist of multiple-choice questions. No books and no notebooks will be allowed in the examinations.

Section 5

【Additional Information】

- Students are expected to attend class and participate in class discussion.
- Students are expected to conduct themselves according to the highest standards of academic honesty.
- Students are expected to submit all exercises and homework assignments and take exams by the scheduled time.