

# The University of Illinois at Chicago

## Economics 333: International Economics

Fall 2009, Tuesdays 6-8:30 p.m., LC-D1

Office: UH709

Office Hours: M 11 a.m., T 4-5 p.m., and by appointment

TA Hour: Monday 2-3 p.m. and by appointment

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Econ 333 prepares you to think and work in the changing world economy. We will study what we trade with other countries (the theory), how we regulate international trade (trade policy), what determines exchange rates and the balance of payments, and how international developments can affect local economies.

### **Evaluation**

Credit for the course will be based on class participation, weekly quizzes over the reading, and a country paper (15%), problem sets (25%), and 3 tests (each 20%). Class participation includes attendance and participation in discussions and experiments. The weekly quizzes will cover the chapter to be discussed in the following class. Problem sets will include discussion, analysis, and numerical problems. Study groups are helpful for homework, but each person must write up his own answers. The exams will be closed book, in class. Review questions for the exams will be on the Blackboard web site, along with lots of other useful information and data.

### **Required Text**

The main text for the course is Sawyer and Sprinkle: *International Economics, 3<sup>rd</sup> Edition (IE)*. Students are encouraged to read *The Wall Street Journal*, *The New York Times*, *The Financial Times*, or *The Economist*. We will spend some class time learning about the international data sources from the perspectives of different countries. Students who include material from current reading in their assignments will receive extra credit.

### **Students with Disabilities**

Students with disabilities must inform the instructor of the need for accommodations. Those who require accommodations for access and participation in this course must be registered with the Disability Resource Center. Please contact ODS at 312/413-2183 (voice) or 312/413-0123 (TTY).

### **Honor Code**

This course and its associated coursework are being administered under the policies of the University of Illinois at Chicago (UIC) College of Liberal Arts and Sciences Honor Code. All students are expected to respect and uphold this code.

### Date

### Topic and Readings

### **Trade Theory**

Week 1: Aug. 25

Introduction: IE Chapter 1

Week 2: Sept. 1

Why do countries trade? IE Chapter 2

Week 3: Sept. 8                      Comparative Advantage and Gains from Trade: IE Chapter 3  
Week 4: Sept. 15                      Factor Proportions: IE Chapter 4  
Week 5: Sept. 22                      Intraindustry Trade: IE Chapter 5  
Week 6: Sept. 29                      International Flows of Capital and Labor Migration: IE Chapter 6

Week 7: Oct. 6                      **Trade Theory Exam Tuesday Oct. 6**

***Trade Policy***

Week 8: Oct. 13                      Impact of Tariff Policies: IE Chapter 7  
Week 9: Oct. 20                      Quotas and Other Barriers: IE Chapter 8  
Week 10: Oct. 27                      Trade Policies: IE Chapter 9  
Week 11: Nov. 3                      Regional Trade Agreements: IE Chapter 10

Week 12: Nov. 10                      **Trade Policy Exam Tuesday Nov.10**

***Exchange Rates and Balance of Payments***

Week 13: Nov. 17                      Balance of Payments: IE Chapter 12-13  
Week 14: Nov. 24                      International Financial Markets: IE Chapter 14  
Week 15: Dec. 1                      Equilibrium Exchange Rates: IE Chapters 15

**EXCHANGE RATES AND BOP EXAM TUESDAY DEC. 8 IN LC D1**