

International Economics
Fudan University

Department: School of Economics

Course Code	ECON130243		
Course Title	International Economics		
Credit	4	Credit Hours	72
Course Nature	<input type="checkbox"/> Specific General Education Courses <input type="checkbox"/> Core Courses <input type="checkbox"/> General Education Elective Courses <input type="checkbox"/> Basic Courses in General Discipline <input checked="" type="checkbox"/> Professional Compulsory Courses <input type="checkbox"/> Professional Elective Courses <input type="checkbox"/> Others		
Course Objectives	By the end of the course, we expect that everyone can <ul style="list-style-type: none"> ● Apply what we have learned from the class to analyze some current economic issues ● Understand the economic, political, social and cultural characteristics of China 		
Course Description	This course is a one-semester introduction to International Economics. The objective of this course is to study the fundamentals of international trade and international macroeconomics, which provide tools to understand important international economic issues and policies. In the first half of the course, basic trade models, which explain why countries trade, are discussed and then followed by discussions of trade policies, such as trade barriers and international trade agreements. In the second half of this course we focus on how exchange rate is determined and how different exchange regimes work. We will also extend the textbook discussion with some cutting edge research questions using the essence of discussed models, in the hope that students may understand why research in this area is interesting (fun).		
Course Requirements:			
I assume that you fully understand the fundamentals learned in principles of microeconomics and principles of macroeconomics. Calculus is also required for you to follow the lectures.			
Teaching Methods:			
Lecture, presentation, group discussion			

Instructor's Academic Background:

Prof. Li Zhiyuan

Ph.D. Economics University of California, Davis 2010

Advisor: Robert Feenstra

M.A. Economics University of California, Davis 2005

M.S. Public Policy and Management Tsinghua University 2004

B.S. Hydraulic & Hydropower Engineering Tsinghua University 2001

Members of Teaching Team				
Name	Gender	Professional Title	Department	Responsibility
Li Zhiyuan	Male	professor	International Economics	

Course Schedule**Module 1: Introduction** (1.5 hours)

Syllabus, sample article reading and first homework

- **International Trade**

Module 2: The Ricardian Model

Chapter 2 in Robert C (2011).

Module 3: The Specific-Factor Model (3 hours)

Chapter 3 in Robert C (2011).

Module 4: The Heckscher-Ohlin Model (3 hours)

Chapter 4 in Robert C (2011).

Module 5: Increasing Returns and Imperfect Competition (3 hours)

Chapter 6 in Robert C (2011).

Module 6: Offshoring (3 hours)

Chapter 7 in Robert C (2011).

Module 7: Tariffs and Quotas under Perfect Competition (1.5 hours)

Chapter 8 in Robert C (2011).

Midterm Exam (1.5 hours)

● **International Macroeconomics**

Module 8: Introduction to Exchange Rates (1.5 hours)

Chapter 13 in Robert C (2011).

Module 9: The Monetary Approach of Exchange Rates (3 hours)

Chapter 14 in Robert C (2011).

Module 10: The Asset Approach of Exchange Rates (3 hours)

Chapter 15 in Robert C (2011).

Module 11: International Accounts (1.5 hours)

Chapter 16 in Robert C (2011).

Module 12: Output, Exchange Rates and Macro Policies (3 hours)

Chapter 18 in Robert C (2011).

Module 13: Exchange Rate Crisis (3 hours)

Chapter 20 in Robert C (2011).

Summary (1.5 hours)

Final Exam

Note:

(i) We may not cover all materials of each chapter. You are only responsible for the parts that we cover in our lectures. However, it is helpful for you to read the leftovers of each chapter so that you can better understand the material. The schedule is subject to change.

(ii) There are NO make-up exams given (either early or late) for ANY reason.

The design of class discussion or exercise, practice, experience and so on:

Homework:

I will give about five assignments (about one every two weeks) which apply the ideas developed in class to specific examples. You will have credit for the homework if you turn it in on time and make efforts to solve the problems. It is a very good idea (in the sense of a good preparation for the exams) to do the homework seriously, reviewing your class notes before solving the exercises, and trying to have either TA or me to clarify the situation if you are stuck on a problem and do not see how to proceed. The answer keys will be posted on the course website. NO credit for late assignments.

Grading & Evaluation:

Homeworks: 20%

Midterm: 20%

Final: 60%

Comprehensive, closed-book.

The midterm and final will cover materials of homework and class lectures only. Uncovered material in the textbook is not required.

Passing grade: 60, below 60 = fail

Teaching Materials & References:**Textbook:**

Required:

Robert C. Feenstra and Alan M. Taylor, *International Economics*, Worth Publishers, 2011

Chinese version of this textbook is also available on <http://www.amazon.cn>.

Optional:

华民, 2010, 《国际经济学》, 复旦大学出版社, 第二版。

李坤望, 2017, 《国际经济学》, 高等教育出版社, 第四版。

Robert C. Feenstra, *Advanced International Trade: Theory and Evidence*, Princeton University Press, 2003

Krugman, P., Obstfeld M. and Melitz, M., 2018, *International Economics: Theory and Policy*, Eleventh Edition, Pearson Education.

Recommended Reading:

Business articles from sources such as

Economist (<http://www.economist.com/printedition/>),

Financial Times (<http://www.ft.com/home/us>),

or other relevant sources are recommended to read.

Some most recent issues reported will be used in our lecture discussions. Using the knowledge learned to analyze the related issue is highly recommended.