Program: Chinese Studies and Internship in Shanghai  
Course Title: International Economics  
Course Code: SH310  
Total Hours: 45  
Recommended Credits: 3  
Suggested Cross Listings: Economics, International Business  
Language of Instruction: English  
Prerequisites/Requirements: Microeconomics and Macroeconomics

Description
This course is intended for students who are interested in economics from a global perspective. It first introduces the emergence of international commerce in history and the establishment of modern capitalism. Theories of international trade and finance are included, and the emphasis is on the analyses of examples, cases, and latest events around the world. The course applies analytical tools including comparative advantage, global competition and technological change, balance of payments, and trade deficits. Finally, a special enquiry into the rise of the Chinese economy and its relations with the rest of the world is also provided.

Objectives
Students who take this course are expected to:

- Understand the significance of international commerce in history;
- Apply international trade theories to examples, cases, and latest events;
- Analyze international trade policies in a global context;
- Understand the financial market, exchange rate, and interest rate policies and practices;
- Evaluate the mutual influence between China and international economy.

Course Requirements
Course readings, averaging 50 pages per session, should be completed before class. Students must attend all classes and are expected to participate actively in all class discussions.

Students take quizzes and one mid-term exam to evaluate their academic progress. At the end of the course, students complete a group research project. Group project presentations and reports are assigned at the start of the course. The project is to encourage collaborative inquiry into an international economics research topic, which preferably includes issues of the Chinese economy. Group size is two to three students. Presentations are twenty minutes in length and group project papers are approximately 3,000 words in length. Presentations are graded on quality of presentation and soundness of analysis.

Methods of Evaluation
The grade is determined as follows:
CET Syllabus of Record

Participation: 10%
Quizzes: 30%
Mid-term Exam: 30%
Final Project: 30%

Primary Text

Supplementary Texts & Material
CET Syllabus of Record


Supplementary news sources:

- Wall Street Journal
- The Economist
- Financial Times

A mini-session will be held in each class to discuss the news from these sources if the sessions are pertinent to the content of the lectures. Some of the news may be reasonably included in the quizzes and the mid-term exam.

Outline of Course Content

Note: Fall/Spring students cover approximately 1 or 2 sessions per week. During the summer, when class periods are longer, students cover approximately 2 or 3 sessions per week.

Session 1  Trade in the Global Economy
Session 2  International Trade Theories: The Ricardian Model
Session 3  International Trade Theories: The Heckscher-Ohlin Model
Session 4  External Economies of Scale and the International Location of Production
Session 5  Firms in the Global Economy
Session 6  The Political Economy of Trade Policy
Session 7  Trade Policy Controversies
Session 8  Mid-term Exam
Session 9  Exchange Rates and the Foreign Exchange Market
Session 10  Money, Interest Rates, and Exchange Rates
Session 11  Common Currency Areas
Session 12  Financial Globalization
Session 13  Developing Country Growth, Crisis, and Reform: The China Experience
Session 14  Final Project Presentations