

**Syllabus**  
**Econ 460: International Economics**  
Spring 2014

Professor: Toan Phan  
E-mail: phan@unc.edu  
Office: 301 Gardner Hall  
Office hours: Tuesdays 4:45-6pm (right after class), or by appointment  
Class hours:  
    Section 2: Tuesday & Thursday 12:30pm-1:45pm  
    Section 3: Tuesday & Thursday 03:30pm-4:45pm

## Overview

In this course, we will be asking big questions.

How are wealth and income distributed across the world? Why are so many people still living in poverty? What does it mean to be poor? Why have many projects with good intention failed? What lessons have we learned from failed and successful projects? These are some very important and hotly debated questions in *international development*, a fascinating topic that we will cover in the first part of the class. Furthermore, understanding poverty helps us appreciate the roles of trade and finance, which are the next topics of our class.

What is globalization? Why do countries trade? And how do they trade? Is trade good for poor countries? Is trade good for rich countries? Or is trade good for some people and bad for some? Is immigration good for some and bad for others? What is outsourcing? How is technology transforming international trade? These are some very important questions in *international trade*, a classic and highly relevant subject in economics that we will cover.

Does investment and savings flow from rich countries to poor countries, or the other way around? What is “global imbalances”? What is a debt crisis/banking crisis/currency crisis? Why don't sovereign governments default on their debt to foreigners? These are some fascinating questions in *international finance/macroeconomics*, a very important subject that we will cover in the last part of the course.

Like true scientists, we will practice being curious. And like true scientists, we will practice being skeptical of existing answers: are they logical? Do they have empirical backing?

Prerequisites: ECON 410 (Intermediate Theory: Price and Distribution), basic calculus (e.g., derivatives and integration), basic statistics (e.g., OLS regressions), or permission of the instructor. Most importantly: curiosity for the world.

## Course material & online resources

All required/suggested readings and videos for each class will be posted beforehand on Sakai. Please check Sakai before and after each class. Readings will be (excerpts from) academic papers, news articles and book chapters. There is no required textbook for this class.

## Grading

I highly value curiosity, creativity and critical thinking. Thus, a large percentage of your grade will come from a research project. You will choose a research topic at the beginning of the class (and I will help you with this). Then you will read about this topic, and find questions that trigger your curiosity. Then you will pick a question that is answerable within the time limit of a semester. Then you will hand in this research question, plus a literature review (i.e., summary of what people have discovered in your chosen topic) as the midterm paper. Think of this midterm as a preparation for your final paper. Then you will hand in a final paper, which summarizes your answer(s) to your question, along with your theoretical argument or empirical evidence. I will discuss the research project in details with you in class. This research project will be an opportunity for you to explore and understand international economics in depth.

Besides the research project, there are also homework assignments and a final exam, all of which are weighted equally at 10% of your grade. The final exam is short and non-comprehensive (so that you can focus on your research paper). I will tell you exactly what the exam covers on the last class.

### **Summary:**

Research project:

    Final paper: 30%

    Midterm paper: 15%

Final exam: 10%

4 homework assignments: 10% each

Participation: 5%

### **Grading Curve:** [subject to updates]

I will curve so that the whole class's median score is 83. Then grades are assigned according to the following rule:

At least 92%: A

At least 88% but less than 92%: A-

At least 84% but less than 88%: B+

At least 80% but less than 84%: B

At least 74% but less than 80%: B-

At least 70% but less than 74%: C+

At least 66% but less than 70%: C

At least 62% but less than 66%: C-

At least 58% but less than 62%: D+

At least 50% but less than 58%: D  
Less than 50%: F

## Important Dates

Midterm paper deadline: Tuesday March 18 (the first Tuesdays after Spring break).

- There is no lecture on this date, so that you will have more time to work on your midterm paper.
- All papers must be printed and submitted to me by 5pm on this day.

Final exam:

- Subject to the registrar's office schedule, available at <http://registrar.unc.edu/academic-calendar/final-examination-schedule-spring-2014/>

Final paper due: Friday May 2nd at noon.

## Policies

*Academic integrity:* I highly value academic integrity. I expect each of you to follow the UNC Honor System. I encourage working in groups on homework. However, each student must write up his or her own version of the homework assignment. Exams must be taken individually.

*Not handing in homework or midterm on time:* If you miss a deadline, then your score will be halved for each late day. (So your late score = actual score \*  $0.5^{\text{numbers of late days}}$ ). In other words, please do not miss a deadline.

*Appeals* regarding the grading of a test must be submitted to me or to an Economics Department secretary in writing within one week of your receipt of the graded work. The original test must accompany the appeal. I will re-grade the entire test. Note that this may lead to a lower overall grade. Your complaint has to be in writing and in detail.

*Email policy:* I will do my best to respond to e-mail within 24 hours on a weekday, 48 hours on a weekend, according to the following policy:

- a) I only respond to e-mails posing questions that can be answered in a sentence or two. For detailed questions, please see me after class or in office hours.
- b) I do not reply to e-mails that request information that can be found on the web or the syllabus, so you should check those places first.
- c) I do not reply to e-mails regarding the results of graded material – for that, please see me after class or in office hours.