



# ECON460: INTERNATIONAL ECONOMICS

## (EURO460/PWAD460)

Spring 2024

The University of North Carolina at Chapel Hill

## COURSE INFORMATION

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**Credit Hours:** 3 credit hours

**Pre-requisites:** ECON400 and ECON410 with grade C or above

**Target Audience:** Economics majors

**Meeting Pattern:** Tue/Thu 3:30 pm – 4:45 pm

**Instructional Format:** In-person

**Classroom or Location:** Garnder 209

## INSTRUCTIONAL TEAM INFORMATION

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**Instructor:** Mariya Sviderskaya

**Email Address:** mariyas@live.unc.edu

**Office Hours:** Wednesday 11:30 am – 12:30 pm in Econ Aid Center (Garnder 009), Friday 1:00 pm – 2:00 pm [on Zoom](#), or by appointment.

**Teaching Assistant:** Xinran (September) Chu

**Office Hours:** See the schedule on course Canvas

## COURSE CONTENT

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### Course Goals & Student Learning Outcomes (SLOs)

This elective course for Economics majors aims to equip students with a comprehensive framework for examining important issues in international trade and international macroeconomics.

Key Learning Objectives:

By the end of the course students will be able to:

1. Analyze why countries engage in international trade and how the gains from trade are determined using microeconomic theories of international trade.
2. Assess the impact of trade policies on both consumers and producers and argue in favor of free trade or protectionism
3. Understand the structure and functioning of the foreign exchange market
4. Investigate the determinants of the exchange rates in the short and the long run
5. Argue how the countries can benefit from financial globalization using the balance of payments framework
6. Evaluate the effects of monetary and fiscal policies in the open economy in the short run with fixed and floating exchange rate regimes.
7. Interpret the macroeconomic data on international trade, exchange rates and balance of payments.



## IDEAs in Action Curriculum

This course meets the Global Understanding and Engagement focus capacity of the IDEAs in Action Curriculum. Please see more information about the learning outcomes of this focus capacity [here](#).

<i>Global Understanding and Engagement focus capacity</i>	<i>Relevant ECON460 Coursework</i>
Writing, totaling at least 10 pages in length or the intellectual equivalent	Homework assignments, Discovering data
Presenting material to the class, small groups, or the public through oral presentations, webpages, or other means	Group work in class, Discovering Data
Collaborating in pairs or groups to learn, design, solve, create, build, or research	Group work in class, Poll Everywhere questions, Homework assignments

## Course Text

"International Economics" by Robert Feenstra and Alan Taylor, 5<sup>th</sup> edition. The textbook is available to rent or purchase at the [publisher's website](#), in the UNC student stores, and in university library reserves (Davis). Previous editions of the textbook are close substitutes.

## Class Workload Expectations

This course is a 3- credit hour class; therefore, the expected workload is up to 10 hours per week including the class time.

## Acknowledgements

I would like to express my gratitude to professors Geetha Vaidyanathan, Patrick Conway and Thibault Fally who kindly shared their teaching materials with me.

# COURSE ASSIGNMENTS & ASSESSMENTS

## Assignment Descriptions

### Homework assignments

The homework assignments need to be submitted via Gradescope by the announced due date. Assignments submitted by email will not be graded. It is students' responsibility to make sure the submitted assignments are clear and easy to read. Students are strongly encouraged to work on the assignments together, but each student must submit their own work that is not identical to other students' submissions. Late submissions will not be accepted for any reason. Two of your lowest scores for homework assignments will be dropped to account for any emergencies that prevent you from submitting the homework on time.

### Discovering data

Discovering data assignment will be completed in groups of no more than three students in form of short video presentation graded by completion and demonstrated effort in analyzing and interpreting data in relation to the concepts of the course. Part of the grade will be based on peer feedback to the group presentations. The format of the assignment will be provided in the course Canvas.

### Review questions

Review questions quizzes will be posted every week on Fridays on the course Canvas. The role of the review questions is to help you assess the understanding of the material covered every week of the course. Each set will consist of no more than 10 questions. You will have two attempts to submit your answers within the 30-minute time limit. The review questions are due at 3:00 pm on Tuesday lecture the following week. I will drop four lowest scores from your review



questions submissions to calculate the total grade. Because I drop some of your lowest scores, there will be no make-ups for review question quizzes for any reason, including the problems with Canvas, internet browsers or electronic devices.

### ***In-class polls***

In class poll questions will be given during most of the lectures as a measure of attendance, class participation and as feedback on the material covered. Students will work in groups of two or three to discuss the questions posed in class. Each student should submit their own answer to PollEverywhere questions. These questions will be graded by completion. You can either login at polleverywhere.com or by using the Poll Everywhere mobile app. You must use your official UNC email address, select the single sign-on link, and then enter your Onyen and Password. There is no make up for the missed polls. I understand that there are circumstances like illness or family emergency that may prevent you from attending some of the lectures. I will drop 15 percent of poll scores out of the total number of polls given during the semester (rounded to the nearest integer). That should correspond to missing two to three lectures without any penalty to the in-class polls grade. Please note that answering the poll questions from outside of the classroom will be considered a violation and will be referred to the Honor System.

### ***Examinations***

Two midterm exams will be given for a total weight of 40 percent of the final grade. The highest of the two midterm grades will comprise 25 percent of the total weight. A final exam will be given according to the University final exam schedule. The final exam will be 25 percent of the course grade. The exam format will be provided in class prior to a given exam.

**Make-up Exam policy:** There are no make-up midterm examinations. Missing midterm exam without an approved reason will result in a zero grade for the exam. If you are going to miss a midterm exam you must contact me before the start of the exam and provide me with a reasonable explanation or (ideally) a university approved absence. You are required to support your explanation with appropriate documentation within five business days of the exam. The excuses for missing a midterm exam include documented serious illness or family emergency as well as a documented court appearance. If the explanation and documentation are approved by me, then the weight of the midterm will be placed on the final exam. In this case the weight of the final exam will be 40 percent and the weight of other midterm will be 25 percent.

If you have to miss final exam (e.g., due to time conflict) you need to provide me with an official exam excuse no later than the last day of classes, or by the start of the final exam in case of serious illness. The make-up exam for the final exam will be held during the common make-up exam time decided by the Economics Department.

### ***Regrade requests***

Regrade requests for homework assignments and midterm exams can be submitted online via the Gradescope for **one week** after the grades have been returned. No regrade requests will be accepted after one week for any reason. You need to provide an acceptable explanation for your request. By submitting a regrade request you acknowledge that your entire assignment will be regraded and your grade may increase or decrease. All regrades are final. No regrade requests will be accepted for Review Questions assignments for any reason, including due to issues with Canvas or electronic devices.

## **Grading Scale**

### ***Assignments weights***

2 Midterm Examinations	40% (25% highest and 15% second best)
Final Exam	25%
Review Questions	7.5%
In-class Poll Questions	5%
Homework Assignments	12.5%
Discovering data	10%

There is no extra credit of any kind in this course. Grades are assigned according to the scale below. I reserve the right to curve the grades if I see it appropriate. Please also note that the grades will not be “rounded up” for any reason.



Numeric Grade (%)	Letter Grade
93.00 and above	A
90.00 – 92.99	A-
87.00 – 89.99	B+
83.00 – 86.99	B
80.00 – 82.99	B-
77.00 – 79.99	C+
73.00 – 76.99	C
70.00 – 72.99	C-
67.00 – 69.99	D+
60.00 – 66.99	D
59.99 and below	F

## POLICY STATEMENTS

### Attendance Policy

Regular attendance is highly recommended. You are responsible for any announcements and material that you may have missed due to absence from the class. You should get the missed notes/announcements from your classmates. You do not need to notify me if you are going to miss the lecture. However, students who are not willing or able to attend regularly should drop the course. See more under “academic policies” below.

### Communication with the instructor and TA

Questions about the class material are best addressed during or after the lecture, and during the office hours. If you are unable to see me during the scheduled office hours, we can schedule an appointment at the time that works for both of us.

Other questions should be sent to my email: [mariyas@live.unc.edu](mailto:mariyas@live.unc.edu) with the subject “ECON460 <insert a short description of the issue here>”. You should expect a response within 48 hours during the weekdays and within 72 hours during weekends and holidays.

All **regrade requests** should first be submitted via Gradescope. I will only consider them if you are unable to resolve the issue with the TA.

**Please refrain from emailing your TA.** Grading issues should be resolved via Gradescope regrade requests, questions about course material and assignments should be addressed during TA office hours.

### Course AI Use Policies

Use of generative AI tools of any kind is not permitted in this course. Any use of these tools will be considered an instance of academic dishonesty and will be referred to the Honor System.

### Academic Policies

#### *University Class Attendance Policy*

University Policy: As stated in the University's [Class Attendance Policy](#), no right or privilege exists that permits a student to be absent from any class meetings, except for these University Approved Absences:

1. Authorized University activities: [University Approved Absence Office \(UAAO\) website](#) provides information and [FAQs for students](#) and [FAQs for faculty](#) related to University Approved Absences
2. Disability/religious observance/pregnancy, as required by law and approved by [Accessibility Resources and Service](#) and/or the [Equal Opportunity and Compliance Office](#) (EOC)
3. Significant health condition and/or personal/family emergency as approved by the [Office of the Dean of Students](#), [Gender Violence Service Coordinators](#), and/or the [Equal Opportunity and Compliance Office](#) (EOC).

Instructors may work with students to meet attendance needs that do not fall within University approved absences. For situations when an absence is not University approved (e.g., a job interview, illness/ flu or club activity), instructors are



encouraged to work directly with students to determine the best approach to missed classes and make-up assessment and assignments.

### *Honor Code Statement*

All students are expected to follow the guidelines of the UNC Honor Code. In particular, students are expected to refrain from "lying, cheating, or stealing" in the academic context. If you are unsure about which actions violate the Honor Code, please consult [studentconduct.unc.edu](https://studentconduct.unc.edu).

### *Syllabus Changes*

I reserve the right to make changes to the syllabus including assignments' due dates and test dates. These changes will be announced as early as possible.

## **Services & Student Support Policies**

### *Accessibility Resources & Services (ARS)*

[Accessibility Resources and Service](#) (ARS – [ars@unc.edu](mailto:ars@unc.edu)) receives requests for accommodations, and through the Student and Applicant Accommodations Policy determines eligibility and identifies reasonable accommodations for students with disabilities and/or chronic medical conditions to mitigate or remove the barriers experienced in accessing University courses, programs and activities. ARS also offers its Testing Center resources to students and instructors to facilitate the implementation of testing accommodations. Faculty and instructors with any concerns or questions about accommodations and/or their implementation, are invited to [reach out to ARS](#) to discuss.

### *Counseling & Psychological Services (CAPS)*

UNC-Chapel Hill is strongly committed to addressing the mental health needs of a diverse student body. The [Heels Care Network](#) website is a place to access the many mental health resources at Carolina. CAPS is the primary mental health provider for students, offering timely access to consultation and connection to clinically appropriate services. Go to their website <https://caps.unc.edu/> or visit their facilities on the third floor of the Campus Health building for an initial evaluation to learn more. Students can also call CAPS 24/7 at 919-966-3658 for immediate assistance.

### *Title IX Resources*

Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Reports can be made online to the EOC at <https://eoc.unc.edu/report-an-incident/> or by contacting the University's Title IX Coordinator (Elizabeth Hall, [titleixcoordinator@unc.edu](mailto:titleixcoordinator@unc.edu)) or the Report and Response Coordinators in the Equal Opportunity and Compliance Office ([reportandresponse@unc.edu](mailto:reportandresponse@unc.edu)). Confidential resources include Counseling and Psychological Services and the Gender Violence Services Coordinators ([gvsc@unc.edu](mailto:gvsc@unc.edu)). Additional resources are available at [safe.unc.edu](https://safe.unc.edu).

### *Policy on Non-Discrimination*

The University is committed to providing an inclusive and welcoming environment for all members of our community and to ensuring that educational and employment decisions are based on individuals' abilities and qualifications. Consistent with this principle and applicable laws, the University's [Policy Statement on Non-Discrimination](#) offers access to its educational programs and activities as well as employment terms and conditions without respect to race, color, gender, national origin, age, religion, genetic information, disability, veteran's status, sexual orientation, gender identity or gender expression. Such a policy ensures that only relevant factors are considered, and that equitable and consistent standards of conduct and performance are applied. If you are experiencing harassment or discrimination, you can seek assistance and file a report through the Report and Response Coordinators (email [reportandresponse@unc.edu](mailto:reportandresponse@unc.edu) or see additional contact info at [safe.unc.edu](https://safe.unc.edu)) or the Equal Opportunity and Compliance Office at <https://eoc.unc.edu/report-an-incident/>.

### *Diversity Statement*

I value the perspectives of individuals from all backgrounds reflecting the diversity of our students. I broadly define diversity to include race, gender identity, national origin, ethnicity, religion, social class, age, sexual orientation, political background, and physical and learning ability. I strive to make this classroom an inclusive space for all students. Please let me know if there is anything I can do to improve. I appreciate any suggestions.



## COURSE SCHEDULE (TENTATIVE, SEE DETAILS ON CANVAS)

### International trade

Week	Topic(s)	Readings
Weeks 1 – 5	Introduction to the course Ricardian theory of Comparative Advantage Specific Factors model Heckscher-Ohlin model Trade with imperfect competition	Chapters 1 – 4, Chapter 6
Weeks 5 – 6	Import Tariffs and Quotas Export Policies	Chapters 8 – 10
<b>Feb 20</b>	<b>Midterm 1</b>	

### International macroeconomics

Class (Date/Week)	Topic(s)	Readings & Assignments Due
Weeks 7 – 9, 11	Global Macroeconomy Exchange Rates and the Foreign Exchange Market Exchange Rates: The Monetary Approach in the Long Run Exchange Rates: The Asset Approach in the Short Run	Chapters 12 – 15
<b>March 26</b>	<b>Midterm 2</b>	
Weeks 13 – 16	National and International Accounts: Income, Wealth, and the Balance of Payments Balance of Payments: The Gains from Financial Globalization Balance of Payments: Output, Exchange Rates, Macroeconomic Policies in the Short Run Fixed vs Floating regimes	Chapters 16 – 19
<b>May 9</b>	<b>Final exam</b>	