

## **ECON320: INTERNATIONAL ECONOMICS AND FINANCE**

### **1. Course Details**

Course Code:	ECON320
Course Name:	International Economics and Finance
Course Prerequisites:	ECON202; ECON204
Course Co-requisites:	None
Credits Hours:	Three (3) US credit hours
Class Timing:	(45 contact hours + 2 hour final exam period)

### **2. Catalog Course Description**

The course provides the conceptual framework that forms the basis for global commerce. Topics include free trade, the flow of goods and services, investments, balance of payment, and the International Monetary System and the foreign exchange markets in the context of alternative international adjustment mechanisms.

### **3. Course Overview**

The objective of the course is to make a serious presentation of international economic theory with an emphasis on current applications so that students understand the determinants of trade flows and exchange rates. In recent years, trade and capital flows have been liberalized and allowed to grow resulting in an increasing globalization of production and trade. This has particular importance to emerging markets and developing countries. The resulting interdependence of countries both in goods and services has resulted in lower prices of internationally traded goods and services.

### **4. Course-Level Learning Goals<sup>1</sup>**

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<sup>1</sup> A note on School of Management Course-Level Learning Goals: Learning goals are partitioned into those that are in support of the programmatic learning goals (Invariant), specific to the localized region of delivery (Contextualized), and specific to the domain expertise of the instructor (Instructor-Specific). The former two categories are required for all courses. Invariant "Assurance of Learning Validations" are specifically linked to the associated programmatic learning goal and objective, with course-level learning goals representing the programmatic goal as it applies to the context of the course. Learning goals that focus on knowledge acquisition (Bloom's Taxonomy) are not specifically or necessarily included into the course-level learning goals, although it is assumed that knowledge acquisition of all relevant business core fundamentals is addressed within each course. Examinations in class are used to provide feedback concerning knowledge and comprehension for the purpose of ensuring that students who have not mastered these will not advance through the curriculum. Attainment of knowledge within each core area is assessed by way of standalone testing of each student as a required part of the instructional program prior to graduation (e.g. ETS).

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(A) Invariant Learning Goals (In support of the Major-Specific and BSBA Programmatic Learning Goal(s))<sup>2</sup>: Upon the successful completion of this course, the student will be able to:

- Evaluate the comparative advantage of a country;
- Apply foreign exchange dynamics and test it in a real world situation using statistical methodology;
- Examine the dynamics of the international trade environment; and
- Analyze the functions and responsibilities of international trade and financial institutions, such as, WTO and IMF.

Assurance of Learning Validations (Linked to the Major-Specific and BSBA Programmatic Learning Goal(s))<sup>3</sup>:

A1. Individual Written Homework Portfolio

Each student selects a country and identifies (a) its major trading partner(s) and (b) major commodities or services in which they trade and (c) apply that information to analyze comparative advantage of that country. Presentation and analysis of data is through software such as Excel, and must also include a four page write up. Five scores will be administered and are based on (a) the conciseness of the executive summary that includes a brief background of the country, the commodities and services that they trade, their trading partners, and the comparative advantages (G1O1); (b) the ability to secure data from data sources (listed in section 8) (M2O1) and (c) analyze and interpret the data (M2O2), and (d) identify the comparative advantage of the chosen trading partner (INTL-LO2), and (e) specific identification of factors of globalization that provide a comparative advantage relative to what would be achieved without international trading opportunities (G3O2).

A2. Group Homework: Student groups will be assigned, and each group will collaborate to create a short paper for one of the topics, below. The instructor will allocate the projects to the groups.

<sup>2</sup> The degree of attainment for each course level learning goal is validated through the composite set of scores for the referenced Assurance of Learning Validations for that goal. For example, if a learning goal is followed by (A1), it implies that the average of the set of scores for Assurance of Learning Validation A1 forms the basis of assessment/attainment of the learning goal. Alternatively, if a learning goal is followed by (A3; A4; A6), this indicates that the composite set of scores for Assurance of Learning Validations A3, A4 and A6 are to be used to assess the degree to which this learning goal has been attained with equal weights applied to each set of scores. That is, the average of the scores for A3 is utilized and weighted equally (1/3) with the average for the scores of A4, and also A6. Unless specified otherwise, the weights are equal. In the latter case the weight for each Assurance of Learning Validation would be 1/3.

<sup>3</sup> A note on School of Management Assurance of Learning Scoring: Scores form the metric for the degree to which the validation (e.g. learning outcome) satisfies the associated learning goal or objective. Assurance of learning validation descriptions identify the criteria for each score that is to be given. All scores are scaled from 1-5 (1-poor, 2-fair, 3-good, 4-very good, 5-excellent). It must be noted that scores are to be differentiated from grades. Scores form a criterion from which an instructor will ascertain an overall grade for any instrument of assessment, and the overall assessment the student receives for an instrument is a "grade." A score is an extraction that specifically measures the degree of attainment of a learning goal and/or objective.

- a. Collect data for the most recent ten years on the GDP and exports of South Korea, Hong Kong, China, and Singapore and explain how the export centered policies of these nations has led to their high economic growth rates;
- b. Choose a country which required IMF assistance in the past five years and provide data with reference to that (a) country's fiscal deficit, (b) trade deficit (c) its international debt position and the conditions imposed for such assistance; or
- c. Identify the role of the WTO as a forum for resolving trade disputes among countries. Cite a specific complaint by a country with data, and discuss how it was adjudicated by the WTO and the response to the ruling by the countries involved.

The short paper will receive two scores, based on the team ability to (a) identify relevant data (M3O1); and (b) integrate the data into a cohesive analysis that discusses environmental factors and their impact on the economic decision-making approaches of the country or its intervening agent (INTL- LO1).

A2a. Contextualized (Globalized) Learning Goal(s)

Upon the successful completion of this course, students will be able to:

- See Invariant Learning Goals 1 and 2 above.

Assurance of Learning Validation (In support of the Contextualized (Globalized) Learning Goal(s)):

- See Assurance of Learning Validation A1(a), score 3, and A1(b), score 4, above.

A2b. Instructor Specific Learning Goal(s) (Optional): None

Assurance of Learning Validation (In support of the Instructor Specific Learning Goal(s)): None

## 5. Teaching and Learning Methodology

The School of Management's teaching and learning strategy is informed by contemporary indicators/sources that derive from its target market, specifically the millennial generation. In particular, behavioral traits for this generation are identified and form the basis of emphasis for the schools' teaching and learning methodologies. These methodologies are reflected in the school's mission statement by way of its TEMPOS campaign<sup>4</sup>. In addition, teaching and learning strategies are informed by institutional indirect assessment results, periodically collected and reviewed by the Office of Planning and Assessment and the school's faculty<sup>5</sup>. Teaching and learning strategies are also externally referenced systematically (e.g., the Annual Stakeholder's Conference) through continuing consultations with non-board key stakeholder groups, including employers, business and community leaders, accreditation and ministerial agencies, alumni, students, peer institutions, and business and governmental agency representatives.

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<sup>4</sup> Teaching and Learning Strategies: "TEMPOS and the Millennials," revised September 2008.

<sup>5</sup> E.g., Student Survey on Teaching Quality – Quantitative Data: School of Management.

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A component of all courses, as a part of the teaching and learning strategies, is to maintain academic rigor and to be intellectually challenging. This is validated in institutional survey results. However, School of Management faculty members utilize an overall collective portfolio of strategies/initiatives that obtain from the aforementioned sources in delineating those that are most appropriate or emphasized in the courses they lead.

In this course (ECON320), four (4) prioritized teaching and learning strategies focus on:

1. in-class interaction;
2. integrating international/global perspectives;
3. faculty-student interaction; and
4. innovative and creative thinking.

All faculty members that instruct this course should consider how to execute the course to emphasize these key components of the strategies considered. Following a review of learning outcomes, faculty members consider how re-orientation of teaching and learning strategies might result in strengthening these outcomes, and adjustments are made, accordingly. Faculty members also consider how the School of Management Triple Platforms of Excellence (Professional Enrichment, Experiential Education, and Student Advancement) might be leveraged as a part of this strategy, and provide recommendations to the Directors of those platforms. The school also reviews the distribution of identified teaching and learning strategies periodically to ensure comprehension and the integration of each (from the designated list of approximately 20-25 strategies) within the curriculum. Finally, results from student teaching evaluations also provide indications of how various teaching and learning strategies are integrated into the course delivery. The following issues (indicator number is provided) are among those in the evaluations that bear on this review and analysis:

7. The instructor was responsive to student questions.
8. The instructor was available for course related consultation and advice.
9. The instructor graded and returned student work and exams promptly.
10. The instructor incorporated information technology (e.g. computer or the Internet) in the course.
18. The instructor was responsive to student needs and concerns.
21. The instructor assigned challenging course work.
22. The instructor provided helpful, constructive feedback on assignments and course work.
23. The instructor acknowledged cultural differences and diversity among students.
24. The instructor helped me understand the subject matter.

Along with teaching and learning strategies, the notion of student effort/time on task is also considered, although it is not necessarily driven by metrics. It is noted that the notion of student effort, specifically metric driven, is not a universally adopted approach<sup>6</sup>. However, if an instance occurs where student learning outcomes do not meet targeted academic standards, the School of Management utilizes indirect inputs in this area to explore the interdependencies between factors including the amount of work required in the course, the degree of challenge in the coursework,

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<sup>6</sup> See the Victorian TAFE Association Response – Strengthening the AQF: Proposal, June 2009. East Melbourne, Victoria, Australia, retrieved from [http://www.vta.vic.edu.au/docs/PositionDiscussion%20Papers/VTA\\_Response\\_Strengthening\\_the\\_AQF.pdf](http://www.vta.vic.edu.au/docs/PositionDiscussion%20Papers/VTA_Response_Strengthening_the_AQF.pdf) on February 22, 2010.

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and level of critical analysis, among others<sup>7</sup>.

**6. Required Resource(s)**

Carbaugh, Robert J. (2009). International Economics. 12th edition Southwestern. ISBN – 13: 978-0-324- 58148-5.

**7. Reference Resource(s)**

Salvatore, D. (2010). International Economics. 10th Edition. Wiley. ISBN: 9780470388341.

Krugman, Paul and Obstfeld, Maurice. (2009). International Economics. 8th Edition. ISBN: 9780321493040.

OECD Statistical yearbook

Eurostat

World Bank: World Development Indicators World Development Report

IMF World Economic outlook

IMF International Financial Statistics Global Financial Data

U.S. Department of Commerce, Bureau of Economic analysis, Survey of Current Business.

U.S. International Trade commission WTO International Trade Statistics WTO Annual Trade Report

Institute of Management Development

**8. Assessment Methodology and Grading Guidelines**

Instrument	Points	Time on Task <sup>8</sup>
Individual Homework (see A1)	25 points	30 hours
Group Homework (see A2)	30 points	30 hours
Midterm and Final	45 points	60 hours
TOTAL	100 points	120 hours

**9. Grading Guidelines**

The final grade for the course will be calculated using international grading scale

**10. Attendance Policy**

Students are expected to attend every class session. Instructors will inform students of the exact number of absences and late-arrivals permitted during the semester. Students who exceed these limits may be subject to failure. If a student misses any class or test, the instructor has the right to either grant or deny an opportunity to make up the work that was missed. In such cases, the instructor shall be the sole judge of the validity of a student's explanation for having missed the class or test.

**11. Deductions for Late Arrival, Early Departure, and Unexcused Absences**

**12. Policy for Make-Up Assignments or Quizzes**

<sup>7</sup> Sample data regularly collected through the New York Institute of Technology Student Rating of Courses/Teaching Form.

<sup>8</sup> An estimate of the period of time during which a student is actively engaged in a learning activity, excluding classroom contact hours.

### **13. Classroom Behavior**

Behavior that disrupts, impairs, interferes with, or obstructs the orderly conduct, processes, and functions within an academic classroom or laboratory violates the student code of conduct and may result in disciplinary action. This includes interfering with the academic mission of NYIT or individual classroom or interfering with a faculty member's or instructor's role to carry out the normal academic or educational functions of his classroom or laboratory, including teaching and research.

### **14. Students with Physical or Educational Challenges**

It is the policy of New York Institute of Technology to provide reasonable accommodations for students who are otherwise qualified but have disabilities, including learning disabilities, health impairments, and other disabling conditions. Possible accommodations include, but are not limited to, test schedule modifications, class relocation, and possible assistance in acquisition of necessary equipment.

The college has an interest in helping students with disabilities to be competitive in this academic environment. Therefore, reasonable accommodations will be made upon proof both of disability and need for the accommodations. It must be understood that accommodations are meant to facilitate educational opportunities. Admission to NYIT and accommodations do not guarantee success. Therefore, in addition to accommodations, the college encourages utilization of auxiliary services available to all students to maximize opportunities for success. Students whose disabilities may require some type of accommodation must complete a request for accommodations form and an intake interview with their campus services coordinator prior to the academic semester. Accommodations maybe requested at any time during the semester; however, accommodations cannot be applied to past failures, only to future academic endeavors. Appropriate modifications of accommodations will be worked out on a case-by-case basis and will not necessarily incorporate all requested changes.

Students for whom auxiliary services—such as readers, interpreters, note takers, etc.—have been approved should arrange these with their campus services coordinator. In addition to discussing appropriate educational modifications, the campus services coordinator will serve as a liaison with other college faculty and administration on behalf of students with disabilities.

### **15. Academic Integrity**

Each student enrolled in a course at NYIT agrees that, by taking such course, he or she consents to the submission of all required papers for textual similarity review to any commercial service engaged by NYIT to detect plagiarism. Each student also agrees that all papers submitted to any such service may be included as source documents in the service's database, solely for the purpose of detecting plagiarism of such papers.

Plagiarism is the appropriation of all or part of someone else's works (such as but not limited to writing, coding, programs, images, etc.) and offering it as one's own. Cheating is using false pretenses, tricks, devices, artifices or deception to obtain credit on an examination or in a college course. If a faculty member determines that a student has committed academic dishonesty by plagiarism, cheating or in any other manner, the faculty has the academic right to 1) fail the student for the paper,

assignment, project and/or exam, and/or 2) fail the student for the course and/or 3) bring the student up on disciplinary charges, pursuant to Article VI, Academic Conduct Proceedings, of the Student Code of Conduct. The complete Academic Integrity Policy may be found on various NYIT Webpages, including:

<http://www.nyit.edu/images/uploads/academics/AcademicIntegrityPolicy.pdf>.

**16. Topical Class Schedule**

Topics
The International Economy and Globalization
Foundations of Modern Trade Theory: Comparative Advantage Sources of Competitive Advantage
Tariffs
Non-Tariff Trade Barriers
Trade Policies for the Developing Nations
Regional Trading Arrangements
International Factor Movements and Multinational Enterprises
The Balance of Payments
Review and Midterm
Foreign Exchange
Exchange Rate Determination
Exchange Rate Systems and Currency Crisis
Exchange Rate Adjustments and the Balance of Payments
International Banking: Reserves, Debt, and Risk
Presentations
Presentations and Review
Final Exam

**17. Using the NYIT Library**

All students can access the NYIT virtual library from both on and off campus at [www.nyit.edu/library](http://www.nyit.edu/library). The same login you use to access NYIT e-mail and NYITConnect will also give you access to the library’s resources from off campus.

On the left side of the library’s home page, you will find the “Library Catalog” and the “Find Journals” sections. In the middle of the home page you will find “Research Guides;” select “Video Tutorials” to find information on using the library’s resources and doing research.

Should you have any questions, please look under “Library Services” to submit a web-based “Ask-A-Librarian” form.