International Economics
Professor Raymond MacDermott

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Office hours: Tues/Thurs 11 – 12, Wed 10-12 and by appointment.
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Class Information:
Prerequisite: Econ 232
Course Description: A study of the theoretical and institutional aspects of international trade; effect of trade and factor movements on economic welfare; balance of payments; problems of international disequilibrium; process of balance of payments adjustments; barriers to trade; and the search for economic stability and growth through international cooperation.

In accordance with University policy and the Americans with Disabilities Act (ADA), academic accommodations may be made for any student who notifies the instructor of the need for an accommodation. It is imperative that you take the initiative to bring such needs to the instructor’s attention, as he/she is not legally permitted to inquire about such particular needs of students. Students who may require special assistance in emergency evacuation (i.e. fire, tornado, etc.) should contact the instructor as to the most appropriate procedures to follow in such an emergency. Contact Disability Support Services at 298 2512 for additional services.

Tentative Overview / Relevant Reading:
Ricardian Model Chapter 2
Hecksher – Ohlin Model Chapter 3
Stolper-Samuelson, Factor Price Equalization Chapter 4
Empirical Evidence Chapter 5
Barriers to Trade Chapter 6 & 7
Arguments for Trade Restriction Chapter 8
History of Trade Agreements Chapter 9
Currency Markets and Exchange Rates Chapter 12
Balance of Payments Accounts Chapter 13
Open Economy Chapter 14
Money, the Banking System and Foreign Exchange Chapter 15
Additional Topics TBA
**Issue Papers:** You must be in class the day these are due to get your points (there will be a discussion). Best 4 of 5 count. If you do all 5 (with min of 3 points on each), you get a bonus point. These will be due approximately every two weeks beginning September 1st.

**Term Paper:** You be responsible for developing your own topic. The primary requirement is that it must be related to international economics. If you are struggling to find a feasible topic, feel free to see me. This paper will be five to seven double spaced pages in length and is tentatively due the last day of class (Dec 8th).

**Final grade:**
- Midterm Exam (Oct 13) – 30 points
- Final Exam (Tues 12/13 @ 1 pm) – 30 points
- Term Paper – 20 points
- Issue Papers – 20 points total

Final grades will be determined by summing all points earned in the class and applying a “standard” distribution (90’s – A, 80’s – B, etc.).

**Attendance:** Class attendance is not required but you are responsible for all material presented in class, including announcements.

**Missed assignments:** In certain exceptional cases, you may be excused from taking an exam at the scheduled time. To be excused you must:
1. Notify me of your inability to attend PRIOR to the scheduled time of the exam.
2. Furnish evidence of calamity.
If both of these conditions are met, an alternate exam time will be arranged. In the absence of sufficient evidence, a score of ZERO will be recorded.

**Your rights:** It is up to you to know your rights and responsibilities. These have been defined by the Faculty Senate and can be found, courtesy of the Provost, online at http://www.wiu.edu/provost/student/.

**Important dates:**
- Sept 1  Issue 1  Nov 3  Issue 5
- Sept 15 Issue 2  Nov 15 Proposal due
- Sept 29 Issue 3  Dec 8  Paper due
- Oct 13 Midterm  Dec 13 Final Exam
- Oct 20 Issue 4

**Good luck this semester!!**