International Economic Relations
Professor Raymond MacDermott

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Econ dept phone: 309.298.1153
Econ dept. fax: 309.298.1020

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:
Introduction Chapter 1
Ricardian Model Chapter 2 Y&Y 2
Hecksher – Ohlin Model Chapter 2 Y&Y 3
More Trade Theories Chapter 2 Y&Y 5
Trade, Distribution and Welfare Chapter 2 Y&Y 4
Trade Barriers Chapter 2 Y&Y 6, 7
Exchange Rates Chapter 3 Y&Y 12
FDI Theory
Multinationals Chapter 4
Endowments and the Environment of Int’l Biz Chapter 5 – 7
Global Markets and Institutions Chapter 8 – 9
International Business Strategies Chapter 10 – 13
Additional Topics TBA
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/.

Exams: Exams will be given approximately every four weeks. The fourth exam will be given during finals week (set for Thursday, May 11th at 10am). Each exam will be worth 20 points. The best 3 exams will be counted towards your final grade. Each will be problem based and short essay. I will be giving out homework throughout the course. While these will not be graded, they will be discussed in class. The purpose is to give you an idea as to the style of question you will see on the exam.

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 January 26th.

Term Paper: This paper, due the last day of class (in electronic format), will address an issue or question of your choice. These papers will be six to seven double spaced pages in length. A one page proposal will be due on April 20th. More to come on this assignment.

Final Grade: 3 Best Exams 60 %
Term Paper 20 %
Issue Papers 20 %
Final grades will be determined by summing all points earned in the class and applying a “standard” distribution (90% – A, 80% – 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.

Important Dates:
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