

International Economic Policy

Econ 385-001

Spring 2015
Music Theater Building
MWF 10:30-11:20pm

Instructor: Theresa Finley
Email: tfinley@gmu.edu
Office: Enterprise 342
Office Hours: Monday 11:30-1pm

Course Description

Course Objective

The aim of this course is to understand the economics of international policy. This course is designed specifically for non-economics majors and as such, we will begin with the basic economic way of thinking followed by the development of basic economic tools. Next, we will apply these tools to issues of trade and trade policies. In the second half of class, we will explore the economics of development and differing theories on the age-old question of why some countries are rich and others are poor. We will also look more closely at policy issues countries face in a global exchange world. My goal for this course is to provide students with the knowledge and tools to approach international policies with an economic way of thinking.

Required Books:

1. Easterly, William. (2001) *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. MIT Press.
2. Roberts, Russell D. (1994) *The Choice: A Fable of Free Trade and Protectionism*. Pearson Education.

In addition to selected chapters from the required books, I will assign a variety of articles to read. Articles will be available on Blackboard. Students are expected to come to class prepared to discuss the assigned readings for each section.

Grading

Quizzes	10%
Exam 1	20%
Exam 2	20%
Final Paper	50%

Grading Scale

A+	99.000-100	B+	87.000-89.999	C+	77.000-79.999	D	60.000-69.999
A	93.000-98.999	B	83.000-86.999	C	73.000-76.999	F	0.000-59.999
A-	90.000-92.999	B-	80.000-82.999	C-	70.000-72.999		

Exams

Exam 1 will cover the first part of the class and will take place on **March 18**. Exam 2 will cover the second part of the class and will take place on **May 6**. Exams will be a combination of definitions and short answers covering all material covered in class and in the readings.

Paper

Each student is required to complete a 10-12 page research paper on an economic policy of your choice. The only requirement for topic selection is that it be relevant to the scope of this class.

Papers submitted for previous courses will be considered plagiarism.

Students must submit a paper proposal by **February 11th**. The paper proposal will consist of a 250 word abstract and at least three academic sources.

The final paper is due **May 1st**, the last day of class.

Quizzes

I do not take attendance but students are expected to come to class prepared to discuss the assigned readings. To incentive students to complete the readings, I will give between 6 and 8 in-class quizzes on the assigned readings for that section. Quizzes will be unannounced.

Important Dates

Paper Proposal Due	February 11
Spring Break	March 9-15
Exam 1	March 18
Final Paper Due	May 1
Exam 2	May 6

University Policies

Honor Code

George Mason University has a rigorous honor code. Please consult the student handbook to learn the expectations established by the honor code, as well as the procedures for its compliance and enforcement. Obviously, absolutely no cheating – of any kind – will be tolerated.

Disability Accommodations

If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center at (703)-993-2474. All academic accommodations must be arranged through that office. <http://ods.gmu.edu>

Add and Drop Deadlines

Last day to add classes with no penalty	January 27
Last day to drop with 33% tuition penalty	February 10
Last day to drop with 67% tuition penalty	February 20

Tentative Course Schedule

The following schedule is a tentative outline of topics covered in the course. I may assign additional readings which I will announce in advance. All readings other than those from the book will be made available on Blackboard.

Section	Topic	Readings
Unit One: Tools of Economic Analysis		
1	<i>Introduction to Economics</i>	Read I, <i>Pencil</i>
2	<i>Supply and Demand</i>	Roberts <i>Supply and Demand</i>
3	<i>Markets and Intervention</i>	Roberts <i>Applications of Supply and Demand</i> Roberts <i>Efficiency</i>
Unit Two: International Trade		
5	<i>The Case for Free Trade</i>	Roberts Ch 1-6
6	<i>Barriers to Trade</i>	Roberts Ch 7-15
7	<i>Trade Agreements and the WTO</i>	Cooper <i>Free Trade Agreements</i> Goldstein et al <i>Institutions in International Relations</i>
8	<i>Exchange Rates</i>	Hopper <i>What Determines the Exchange Rate?</i> Mundell <i>A Reconsideration of the Twentieth Century</i>
EXAM 1 – March 18		
Unit Three: Economic Development		
9	<i>Capital, Investment and Foreign Aid</i>	Easterly Ch 1-3, 6-7
10	<i>Education and Geography</i>	Easterly Ch 4 Barro <i>Human Capital and Economic Growth</i> Gallup et al <i>Geography and Economic Development</i>
11	<i>Institutions: Formal</i>	Coase <i>The Nature of the Firm</i> North <i>Institutions</i> Acemoglu Johnson and Robinson <i>The Colonial Origins of Comparative Development</i>
12	<i>Institutions: Informal</i>	Grief <i>Cultural Beliefs and the Organization of Society</i> Williamson <i>Informal Institutions Rule</i> Michalopoulos and Papaianou <i>Pre-Colonial Ethnic Institutions and Contemporary African Development</i>
Unit Four: International Markets		
13	<i>Comparative Economic Systems</i>	Hayek <i>The Use of Knowledge in Society</i> Djankov et al <i>The New Comparative Economics</i> Leeson and Williamson <i>Anarchy and Development</i>
14	<i>Financial Crises</i>	TBA
EXAM 2 – May 6 from 10:30-1:15pm		

Grading Rubric for Final Paper

Criteria:	Very Strong 5	Strong 4	Average 3	Weak 2	Very Weak 1
Content	<ul style="list-style-type: none"> -Clear and consistent theme. -Mostly positive analysis. -Relevant to international economic policy. 	<ul style="list-style-type: none"> -Somewhat consistent theme. -Some normative analysis. -Relevant to international economic policy. 	<ul style="list-style-type: none"> -Paper often strays from the theme. -Mix of positive and normative analysis. -Somewhat relevant to international economic policy. 	<ul style="list-style-type: none"> -Mostly inconsistent theme. -Very little positive analysis. -Irrelevant to international economic policy. 	<ul style="list-style-type: none"> -The paper has no clear theme. -Majorly normative analysis. -Irrelevant to international economic policy.
Application of Economic Concepts	<ul style="list-style-type: none"> -Appropriate and clear application of economic concepts. 	<ul style="list-style-type: none"> -Application of economic concepts but not clear nor correctly applied. 	<ul style="list-style-type: none"> -Correct mention of economic concepts but no application. 	<ul style="list-style-type: none"> -Mention of economic concepts but to irrelevant topics. 	<ul style="list-style-type: none"> -No mention of economic concepts.
Organization	<ul style="list-style-type: none"> -Well organized -Introduction, body and conclusion. -Appropriate flow to the paper 	<ul style="list-style-type: none"> -Body of the paper is messy but with clear introduction and conclusion 	<ul style="list-style-type: none"> -Slightly organized but introduction and conclusion are not distinct in style. 	<ul style="list-style-type: none"> -Some organization but not in a logical manner for analysis. 	<ul style="list-style-type: none"> -No organization or flow whatsoever
Writing Style	<ul style="list-style-type: none"> -Eloquent -Few grammatical errors 	<ul style="list-style-type: none"> -Eloquent -Many grammatical errors 	<ul style="list-style-type: none"> -Sentences often too short or too long. -Many grammatical errors 	<ul style="list-style-type: none"> -Grammar took away from the ability to read the text. 	<ul style="list-style-type: none"> -Incomplete sentences. -Text is mainly grammatical errors.
Sources/ Citations	<ul style="list-style-type: none"> -At least three academic sources. -Consistent use of in-text citations or footnotes. 	<ul style="list-style-type: none"> -At least three credible sources. -Improper/no in-text citations and footnotes. 	<ul style="list-style-type: none"> -Three sources, not credible. -In-text citations or footnotes. 	<ul style="list-style-type: none"> -Three sources, not credible -No in-text citations nor footnotes 	<ul style="list-style-type: none"> -No sources