

**International Economy**

Code: 102387  
ECTS Credits: 6

Degree	Type	Year	Semester
2501572 Business Administration and Management	FB	1	2
2501573 Economics	FB	1	2

**Contact**

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**Use of languages**

Principal working language: catalan (cat)  
Some groups entirely in English: Yes  
Some groups entirely in Catalan: Yes  
Some groups entirely in Spanish: Yes

**Teachers**

José Luis Roig Sabaté  
Oriol Roca Sagalés  
Rosella Nicolini  
Angel Luis Lopez Rodriguez

**Prerequisites**

A working knowledge of the material of the courses "Principle of Economics" and "Business Economics" is required. The student has to handle a general understanding of the fundamentals of the current trends and tendencies of the global macroeconomy and international relations.

**Objectives and Contextualisation**

The principal objectives of the course are the following ones:

- Introducing the basic tools to disentangle and analyze the international economic relations;
- Identifying the problems issuing from the international economic relations;
- Presenting the most important theoretical approaches of the international economic transactions in particular referring to the international trade and relative trade policies;
- Providing an overview (from an empirical and theoretical viewpoint) of the international economic integration;
- Introducing the main features of the international economic institutions, their objectives and their range of action.

**Skills**

### **Business Administration and Management**

- Capacity for oral and written communication in Catalan, Spanish and English, which enables synthesis and oral and written presentation of the work carried out.
- Demonstrate knowledge of the interrelationships between different economies, the role of national and international economies, their evolution and the consequences that may be produced for the company.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.

### **Economics**

- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Demonstrate initiative and work individually when the situation requires it.
- Demonstrate knowledge of the interrelationships between different economies, the role of national and international economies, their evolution and the consequences that may be produced for the company.
- Identify the economic agents that make up an economy, understanding how they have been interrelated to date, how they are currently interrelated and forecast futures according to new circumstances and their influence on a specific company.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.
- Value ethical commitment in professional practice.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

## **Learning outcomes**

1. A capacity of oral and written communication in Catalan, Spanish and English, which allows them to summarise and present the work conducted both orally and in writing.
2. Assess ethical commitment in professional activity.
3. Assess the effects of globalisation on different economies.
4. Capacity to adapt to changing environments.
5. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
6. Demonstrate initiative and work independently when required.
7. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
8. Describe international factor movements and analyse the corresponding markets.
9. Describe the international factor movement and analyse the corresponding markets.
10. Interpret the economic facts of the contemporary world and the current situation of the global economy.
11. Organise work, in terms of good time management and organisation and planning.
12. Relate theories and institutions to international trade regulation.
13. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
14. Work as part of a team and be able to argue own proposals and validate or refuse the arguments of others in a reasonable manner.

## **Content**

This course is composed of three sections:

- Tools in applied economics;

- International trade;
- International monetary relations;

In the section of **Tools in applied economics**, the following topics are discussed:

- The balance of payments and external imbalances;
- The measure of the intensity and directions of the international trade flows;

In the section of **International Trade** the following topics are considered:

- The principal trade theories and their impact in the definition of the terms of trade;
- The trade policy tools and their effects;
- The trade multilateralism and the role of the World Trade Organization (WTO);
- The economic integration and its different degrees.

In the section of the **International monetary relations** the following issues are tackled:

- The exchange rate regimes and the currency risk;
- The basics of exchanges of currencies;
- The purchasing power parity;
- The Government intervention in exchange markets: exchange rate systems;
- The international monetary system and the role of the IMF;

## **Methodology**

Lectures

Class hours: 35 hours

In these sessions the instructor introduces the material referring to the three sections of the programme:

- Tools in applied economic
- International trade;
- International monetary relations:

He/she will provide guidance through the literature and available material in order to improve the knowledge of the subject.

## **Practical sessions**

Class hours: 15 hours

Design, analysis and resolution of practical exercises in class.

In these sessions there will be discussed practical exercises about:

- The balance of payments;
- Indicators of balance and imbalance in the balance of payments;

- The main indicators of foreign trade;
- The series of exchange rates;
- The indicators of prices, competitiveness, real exchange rate and (nominal and real) effective exchange rate ;
- The study of the size and composition of the international reserves;
- The indicators associated with the international monetary system;
- The indicators concerning the international movements of factors.

Tutorials:monitoredactivities andlectures

10 hours

Study and reading of the supplied material

62,5 hours

Data collection and processing of information for practical exercises

20 hours

**Activities**

Title	Hours	ECTS	Learning outcomes
<b>Type: Directed</b>			
Guided activities	15	0.6	10, 12, 13, 14, 3
Others	30	1.2	10, 1, 5, 9, 8, 6, 7, 11, 12, 13, 14, 2, 3
<b>Type: Supervised</b>			
Tutorials	10	0.4	10, 1, 5, 8, 9, 6, 7, 11, 12, 13, 14, 2, 3
<b>Type: Autonomous</b>			
Independent learning activities	20	0.8	10, 1, 5, 9, 8, 6, 7, 11, 12, 13, 14, 2, 3
Others	67.5	2.7	10, 1, 5, 8, 9, 6, 7, 11, 12, 13, 14, 2, 3

**Evaluation**

The assessment of learning will be through:

- 20%: a midterm (written) exam covering the material of the section of Tools in applied economics;
- 15%: Learning activities proposed by the faculty (problem sets, reports, or others)
- 65%: A compulsory final exam covering the section 2-4 of the general programme.

If a student passes the midterm exam with a minimum grade of 4, he/she will be waived to present this part at the final exam.

The minimum overall grade to pass the course is 5. This grade is the weighted average of the scores of the all the activities proposed during the course

If the final overall grade is less than 4, the student must repeat the whole course the next year.

Students whose final overall grade is between 4 and 5 are admitted to a re-evaluation exam. This exam is organized about one week after the final exam at the end of the semester. The re-evaluation exam grants at most 1 point. If a student passes the re-evaluation exam, her/his overall final grade will be 5.

A student is considered as "Not evaluable" for the final overall grade, whenever he/she did not participate to any evaluation activity. Therefore, a student participating to one or more single activities will be graded in accordance to the results of those activities even if he/she does not show up at the final exam.

## Evaluation activities

Title	Weighting	Hours	ECTS	Learning outcomes
Final exam	65%	2	0.08	10, 1, 5, 8, 9, 6, 7, 11, 12, 13, 14, 2, 3
Learning activities	15%	2	0.08	10, 1, 5, 8, 9, 6, 7, 11, 12, 13, 14, 2, 3
Mid-term exam	20%	3.5	0.14	10, 4, 1, 5, 8, 9, 6, 7, 11, 12, 13, 14, 2, 3

## Bibliography

### Basic textbooks

Th. Pugel (2009): "International Economics", 14th Edition, Mc Graw Hill

Salvatore, D. (2010): "Introduction to Internacional Economics", 10th Edition, Wiley

### Complementary textbooks.

Baldwin, R. and Ch. Wyplosz (2006): Economics of European Integration, 2nd Edition, Mc Graw Hill.

Feenstra, R. and A.Taylor (2008): " International Economics", Worth Publisher

Krugman, Paul - Obstfeld, Maurice. International Economics: Theory and Policy, any edition, Addison Wesley,