



**Course Number: ECON 305**  
**Course Title: International Economics**  
Time/Days: UR 3.30 - 4:45 pm  
Building/Location: in Science Building B211

Instructor: Dr. Hanas Cader  
Office Location: 432, Science Building  
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Office Hours: MW 11.00 am – 12.30 pm;  
T 11.00 am – 2.00 pm and by appointment

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**Course Description:** Theories and concepts of international trade; real flows; terms of trade; industry structure and resource differences; international competitiveness; the effects of international trade on the economies of importing and exporting countries; the effects of tariffs and quotas and other nontariff barriers on international trade. Also includes multinational corporations, trade and development, customs, and unions. Sophomore class standing or Permission of Instructor. Prerequisites: ECON 200 and ECON 201.

### **AUK Mission Statement**

The American University of Kuwait is a liberal arts institution dedicated to teaching, learning, and scholarship. The University offers programs that provide students with the knowledge and skills necessary for lifelong learning and professional success. AUK enriches society by fostering an environment encouraging critical thinking, effective communication, personal growth, service, and leadership.

### **AUK College of Business and Economics Mission Statement**

The College of Business and Economics prepares students through an American educational experience combining quality intellectual challenge and ethical professional practice for careers in Kuwait and beyond.

The focus is on:

- Developing business in Kuwait and the Gulf
- Supporting rigorous programs that foster excellence in business teaching and scholarship
- Working together to learn and disseminate socially responsible practices to advance society

**Course Objectives:** The broader objectives of the course are to improve the understanding of the productivities and comparative advantage of economies of the world and their interdependencies. We will analyze the impact of changing global forces and globalization in trade systems and businesses. The course includes issues related to country analyses, and economic and financial integration. It will focus on country specific policies and how those policies have helped the countries trade and development. Further, the chapters will focus on globalization and economic integration of countries and their implication on trade. There will be cases that will be discussed in the class.

**Student Learning Outcomes:** Upon successful completion of this course, the student will be able to

1. Describe the differences between international and domestic economic issues and their significance.
2. Describe how the relationship between the size of the countries and value of trade between and among two countries.

3. Explain the Ricardian international trade model, comparative advantage and gains from trade.
4. Discuss the factor endowments and winners and losers in the short and long run.
5. Describe how the different components of the standard trade model, production possibilities frontiers, isovalue lines, and indifference curves fit together to illustrate how trade patterns are established by a combination of supply-side and demand-side factors..
6. Define internal and external economies scale and their relationship to international trade and trade policy including protectionist policies.
7. Describe open economies current account balance and exchange rates are integration to global financial market.

**Course Learning Outcomes in relation to College of Business and Economics Bachelor of Business Administration Learning Goals:**

This course emphasizes the following Bachelor of Business Administration learning goal:

<b>Program Goal</b>	<b>Learning Objective Students will:</b>
Global, Regional, and Multicultural Aspects of Business	Assess global, regional and multicultural aspects of business operations and their impacts on business.

**TEXT:** International Economics: Theory and Policy, 8th edition, by Paul R. Krugman and Maurice Obstfeld, Pearson Addison Wesley. 2009. ISBN 978-0-321-49304-4

**EVALUATIONS:** students' performance is evaluated attendance and homework/quizzes, term paper and presentation, and exams. There will be (2) two midterm exams, and final exam. **THERE IS ABSOLUTELY NO MAKEUP FOR MISSED HOMEWORK AND EXAMS.**

**TENTATIVE EXAM SCHEDULES:**

Exam I	In Week 6
Exam II	In Week 12
Final Exam	As per university calendar

**GRADING:**

Homework/quizzes	10%
Exam I	20%
Exam II	20%
Final Exam	25%
Term Paper and Presentation	15%
Attendance and Participating	10%
<b>Total</b>	<b>100%</b>

Letter of grade is assigned according to the following scale

<b>A</b>	<b>A-</b>	<b>B+</b>	<b>B</b>	<b>B-</b>	<b>C+</b>	<b>C</b>
94 - 100	90 - 93	87 - 89	84 - 86	80 - 83	77 - 79	74 - 76

<b>C-</b>	<b>D+</b>	<b>D</b>	<b>D-</b>	<b>F</b>	<b>FN</b>
70 - 73	67 - 69	64 - 66	60 - 63	0 - 59	Failure for non-attendance

**Important Note:** Grading will be rounded to nearest integer and the letter of grade “I” (incomplete) is issued strictly based on American University of Kuwait guidelines and will not be issued to avoid a low or failing grade (see page 60 of 2010-11 Academic catalog).

**Make-up exams:** No make-up exams will be given, and absolutely no additional projects are assigned in order to increase one’s grade before or after an exam, or at the end of the semester.

**Attendance:** AUK policy on attendance, as stated in the 2010-2011 Catalog (page 60) will be rigorously enforced. If you miss more than three weeks of instructions you will be notified to may be withdraw from the course.

**Free-pass policy:** this policy is designed to help you deal with emergencies. Each student is entitled to 2-free passes for attendance.

**Email communication protocol:** email is the preferred mode of communication. Your email must be generated using your AUK account, no exception to this policy. Under all circumstances, email can in no way be used to communicate or discuss class scores or grades.

**Cell phone:** although they are an integral part of modern day life, they are off-limit in this class. If you have your phone with you, it **MUST** be switched off and stowed away during class. If you are caught with your phone switched on, you will be considered absent on that day, lose grade of a quiz, and may be requested to leave the class.

**Orderly Conduct:** Disruptive or disorderly conduct will not be tolerated at all. Basically, any activities or attitudes that hinder the ability of the instructor to carry out classroom duties or create distraction to the instructor or fellow classmates are deemed disruptive. This includes, but not limited to: leaving the classroom in the middle of lecture (even if you plan to return), having your cell phone switched on during class, and side conversation with fellow classmate. Accordingly, your cell phone must be switched off and stowed away for the duration of the class. Disorderly conduct could results in loss or reduction course grade (quiz or exam) all the way down to “F” for the course.

**AUK Policy & Academic Honesty and Integrity:** Cheating, in any form in the exam or otherwise, will automatically result in an “F” on the exam and or the course. You are responsible for making yourself aware of the AUK Academic Policies and Regulations pertaining to student conduct and academic integrity. Orderly conduct is expected in class at all times, as you are subject to penalties for violation of these policies and procedures (see 2010-11 Academic Catalog, pp268-274).

**Academic Support:** If you have any difficulties, please come see me right away, as I am here to help you meet your course objectives and do well. In addition, AUK has in place a great deal of academic resources designed to help you succeed and achieve your academic goals. The Student Success Center provides tutoring and Academic Skills Workshops such as: classroom etiquettes, note-taking methods, productivity and critical thinking, building reading skills, thinking styles, building self-esteem and test-taking skills.

## Lecture Topic and Required Reading Schedule

Week Beginning	Chapters and Topics
Week 1 Sun 09 Sep 2018	Ch.1 Introduction to the International Trade Theory
Week 2 Sun 16	Ch.2 World Trade
Week 3 Sun 23	Ch.3 The Ricardian Model
Week 4 Sun 30	Ch.4 Resources, Comparative Advantage, and Income Distribution (the Heckscher-Ohlin Model)
Week 5 Sun 07 Oct 2018	Ch.4 Resources, Comparative Advantage, and Income Distribution (the Heckscher-Ohlin Model) Ch. 5 The Standard Trade Model
Week 6 Sun 14	Ch. 5 The Standard Trade Model <b><u>Exam 1</u></b>
Week 7 Sun 21	Ch.6 Economies of Scale, Imperfect Competition
Week 8 Sun 28	Ch.7 International Factor Movements
Week 9 Sun 04 Nov 2018	Ch.8 The Instruments of Trade Policy: Tariffs
Week 10 Sun 11	Ch.9 The Political Economy of Trade Policy
Week 11 Sun 18	Ch.9 The Political Economy of Trade Policy Ch.10 Trade Policy in Developing Countries
Week 12 Sun 25	Ch.10 Trade Policy in Developing Countries <b><u>Exam 2</u></b>
Week 13 Sun 02 Dec 2018	Ch.13 National Income Accounting and the Balance of Payments
Week 14 Sun 09	Ch.13 National Income Accounting and the Balance of Payments Ch.17 Output and the Exchange Rate in the Short Run
Week 15 Sun 16	Ch.17 Output and the Exchange Rate in the Short Run
Week 16 Sun 23	<b><u>University Closed</u></b>
Week 17 Sun 30	<b><u>University Closed</u></b>
Week 18 Sun 06 Jan 2019	<b>Final Exam</b>

**Student Acknowledgement of Receipt of ECON 305.01 Information.**

I \_\_\_\_\_ have signed up for ECON 305-01. I know that the class meets on Sunday and Thursday from 3.30 to 4.45 pm.

I **understand** that I can reach the instructor via e-mail, and that I can meet with the instructor by appointment and during regularly scheduled office hours. Should I have any doubt about any requirements in this course I should seek clarification.

All written communication to/from the instructor regarding this course will be handed out in class or sent via my AUK e-mail. I understand that I must check my AUK e-mail regularly (and before every class) for any important information about this course sent to me from the instructor and I note that failure to check my e-mail does not constitute any excuse for lack of information, misunderstanding, etc.

I **understand** ECON 305.01 course requirements and I have read and understood the Course syllabus and the Course Schedule.

I **know** that attendance is mandatory. I know that a poor attendance record will result in a lower course grade or failure. I note that attendance will be recorded at the start of each class and entered in the instructor's records. I know that Class starts promptly as scheduled. Once attendance is taken any late arrivals will be counted as absent. If I leave the classroom during the class I may not return to the session and I will be counted as absent.

I **know** that Participation is different from attendance. I must come to class prepared, ready and willing to ask and answer questions relevant to the topic at hand. I must bring my own note pads/ paper, pen/pencil and calculator to take notes in class.

**Professional Conduct: I am free** to raise questions at any time, but I must show courtesy to my class mates and the instructor. I understand that chatting or other disruptive behavior including late attendance in class is not acceptable. I know that eating in class is not acceptable. I know that Mobile phones are to be turned off during class and that cell/mobile phones are not allowed into exam rooms. I know in the event of any form interruption the professor will ask to leave the class and mark me absent for the day. A total of six absences would result "F" grade as per AUK attendance policy.

I **have received a Course syllabus and a Course Outline for ECON 305.01.** I have read and understood all requirements and policies for ECON 305.01 have been given a copy of this statement for my retention and reference.

I **know** that students caught cheating, will get an "F" for that test or exam. I also know that work deemed plagiarized will be given a failing grade.

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*Signature*

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*Date*