

Syllabus

- **Course:** Global Economy I
 - **Credits:** 3 ECTS
 - **Program:** Business Administration & Management
 - **Module:** Elective
 - **Subject:** Economy
 - **Code:** 802911
 - **Abbreviation:** MA10
 - **Subject coordinator:** PhD. Samer Ajour
 - **Academic Year:** 2023-2024
 - **Session:** February
 - **Semester:** Fourth (fourth course, spring semester)
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01 Faculty

01.1 Subject coordinator

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02 Presentation

02.1 Description

The twenty-first century is an age of unprecedented globalization. In the last decades, there has been a substantial increase of interactions between different economies, which brought about also an unusual degree of interdependence. Consequently, there is a need to understand the nature and sources of the international economic interactions. The subject of International Economics has always reflected the concerns of the time. It has evolved from theoretical analysis aimed mainly at advanced economies to incorporate new theoretical developments but also empirical finding with aim to reflect better also the reality of emerging and developing economies. This course deals with the most important aspects of International Economics, with emphasis being put on International Trade. It is divided into two main sections: the first section puts at scrutiny the fundamental theories of international trade, the policy issues related to international trade, and concludes with an analysis of different schemes of economic integration and its influence on regional trade and economic relations among countries. The second section of the course deals with the financial aspects of International Economics. Particularly, it investigates the international monetary system, certain monetary arrangements as well as main issues related to exchange rates and open-economy macroeconomics. In both parts, the course puts a special emphasis on the reality of the European Union.

02.2 Relevant professional applications

03 Competencies

03.1 Course Competencies

Specific Competencies

CEEEO4 –Know and understand the basic concepts of the aggregate economy.

CEEEO5 - Understand how economic agents make decisions based on the microeconomic reasoning method.

CEEEO7 -Provide the elements of economic analysis necessary to understand the functionality of concepts that will be used in other subjects.

CEEEO8 -Apply the methods and techniques of economic analysis and theory to solve economic exercises and problems.

General Competences

CB02 - That students know how to apply their knowledge to their work or vocation in a professional way and possess the competencies that are usually demonstrated through the elaboration and defense of arguments and the resolution of problems within their area of study.

CB05 - That students have developed those learning skills necessary to undertake further studies with a high degree of autonomy.

CG06 - Identify problems, obstacles and opportunities and know how to propose improvements and find new strategies or solutions, with responsibility and autonomy, planning and organizing tasks to achieve the objectives within the established deadlines and, at the same time, commit to quality work, in a clear and orderly way, through effort, perseverance and the desire for personal and professional growth

CG08 - Being able to decompose an issue or a problem by analyzing the premises that compose it, investigating the relationships between them, and identifying their implications and consequences in order to judge its reliability

Tranversal Competences

CT02 - Undertake and lead entrepreneurial and business initiatives.

CT09 - Understand the functioning of economic and social institutions as a result and application of formal models about how they function in an Economic System.

CT11 - Apply professional criteria based on the application of advanced techniques and tools to the analysis of problems

04 Program

The Global Economy I course is structured in the following topics:

1. **Introduction to International Economics:** What is International Economics about? The gains from trade. Patterns of trade. Government policies and trade. Some definitions

2. **Overview of world trade**

Who trades with whom, patterns of trade.

The Gravity Model, logic and anomalies.

Distance, Barriers and Borders.

3. **Factors of increasing trade: Is the world smaller**

What do we trade? Manufactures, services, etc.

Service outsourcing.

4. **Why nations trade?**

Mercantilist views on trade: Doctrine of trade surplus

Trade based on absolute advantage: Adam Smith^[1]

5. **Labor productivity and comparative advantage: The Ricardian model.**

Comparative advantage and opportunity cost.

One factor Ricardian model.

Trade in one factor model.

6. New explanation for international trade: economies of scale and imperfect competition

Two factor Heckscher-Ohlin model.

Trade in Heckscher-Ohlin model.

Trade and income distribution.

Types of imperfect competition.

Monopolist competition and trade.

Inter- vs. intra-industry trade, dumping

7. The theory of external economies.

External economies of scale and trade.

8 International factor movements, migration and multinational corporations

International labor mobility.

International capital mobility: borrowing and lending.

International capital mobility: FDI and multinational corporations.

Gains from labor and capital movements.

9. Application of Corporate Social Responsibility in Economic models to ensure a better sustainable community and continuity in raising awareness of its importance.

05 Teaching Methodology

Considering the student's profile, the teaching model is articulated around three types of methodologies from EAE 's Life-ED Methodology:

Source: <https://www.eaebaselona.com/en/lifeed-methodology>

ME1. Participatory Exhibition Class

ME3. Autonomous work

ME4. Problem-based learning

o6 Educational Activities

Considering the competencies of the subject and based on the proposed teaching methodologies, the following training activities are scheduled:

Evaluation Activities	Hours	Presencialidad
AF1. Contents presentation with student participation	24	100%
AF2. Problem solving, exercises and case studies with student participation.	24	100%
AF4. Study and preparation of teaching units	46	0%
AF5. Performance of exercises and case studies	25	0%
AF6. Problem solving	25	0%
AF13. Written / oral evaluations	6	100%

o7 Assessment

Evaluation Items $0.4 \cdot EV1 + 0.2 \cdot EV2 + 0.4 \cdot EV3$	Specific assessed competencies	Weight
EV1. Final written exam of all subject matter	CEECO4,CEECO5, CEECO7, CEECO8, CB02	40%

EV2. Control of midterm written test	CEECO4,CEECO5, CEECO7, CB05, CB06	20%
EV3. Exercises, problems, reports development, assignments - Exercises and problems	CEECO4,CEECO5, CEECO7, CEECO8 CT02, CT09, CT11, CB08	40%

"The maximum grade that students will be able to obtain in the revaluation tests [...] shall be 5,0. In addition, "the grade of the revaluation tests shall in any case constitute the final grade of the subject". Thus, only students who, having completed the midterm exam, the final exam and having carried out 100% of the continuous evaluation activities of the subject, and have suspended (final grade of the subject below 5) will be entitled to the revaluation examination. "

One time assessment: The one time assessment consists of an exam that is equivalent to 100% of the grade of the subject. The exam, and therefore the course, is passed with a grade of 5 out of 10 in this final exam. In order to take one time assessment it is necessary to send a written request to the professor during the first 15 working days of the course.

o8 Learning Resources

Topics	Resources	Type
Topic	Transparencies, notes and exercises	Class and Blackboard

9 Bibliography

09.1 Basic Bibliography

- Engineering Economy, Sullivan, Wicks, Koelling, 18th Edition, Pearson, 2021.
- International Business: competing in the market place, Hill; Hult, Mc-Graw Hill Education, 12th Edition, 2019.
- Krugman, Paul. 13. *What Do We Need to Know about the International Monetary System?*. Princeton University Press, 2021.