

1.	Module code:	B19A11E
2.	Title:	INTERNATIONAL ECONOMICS
3.	Credit points:	7
4.	Start term:	spring
5.	Module leader:	TAMÁS SEBESTYÉN, DR.
6.	Accredited by:	MUBS
7.	Module restrictions:	
	• Pre-requisite	none
	• Programme restrictions	BSc in Business Administration and Management
	• Level restrictions	5
	• Other restrictions or requirements	It is recommended to take this module once Microeconomics and Macroeconomics modules are passed.
8.	Aims:	<p>The module aims to introduce the most important areas of international economics in a comprehensive perspective. The course provides introduction to the theory of trade and trade policy as well as the policy practices. It is also an important aim to analyse the macroeconomic theories when international economic relationships are considered as an inherent part of these models. The second half of the module is devoted to issues of international finance.</p>
9.	Learning outcomes:	<p>On completion of this module, the successful student will be able to:</p> <ol style="list-style-type: none"> 1. assess and compare different concepts of international trade and income distribution 2. critically evaluate the possible aims and tools of trade policy 3. explain possible effects of trade policies on income distribution and economic welfare 4. explain the main factors in relation to exchange rate movements 5. apply model-based thinking 6. positively contribute to group (team) work 7. effectively formulate their ideas verbally 8. conclude small-scale research results
10.	Syllabus:	<ul style="list-style-type: none"> • Orientation and introduction. The topics of international economics. World trade and the gravity model. • Labour productivity and comparative advantage. Specific factors and income distribution. • Resources and trade. The standard trade model. • External Economies of scale, firms in the global economy. • Instruments of trade policy, the political economy of trade policy. • Trade policy in developing countries. Controversies in trade policy. • National income accounting and the balance of payments. • Exchange rates and the foreign exchange market. • Money, interest rates and the exchange rates. • Price levels and the exchange rate in the long run. • Output and exchange rates in the short run. • Fixed exchange rates and foreign exchange intervention. • International monetary systems, optimum currency areas. • Financial globalization and developing countries.

11.	<p>Learning and teaching strategy:</p> <p>The joint application of theoretical and practical teaching methods should enable students to understand the main economic forces behind international trade and the macroeconomic relationships in an open economy. Students are required to read the relevant parts of the textbook for sessions then each session starts with a short test. Then, a case study lights the practical relevance of the topic and the discussion focuses on the most important aspects. Students are encouraged to raise their questions which drive the sessions to those parts of the topic which is less clear for them. Group work at the end of the sessions drive students to apply their knowledge to real or imaginary situations of international trade policies.</p>
12.	<p>Assessment scheme:</p> <p>Formative assessment scheme</p> <p>At the beginning of the classes, students are called to raise their questions. This time slot provides feedback on their home assignments, group works and also they have the chance to drive the discussion of the given topic into a direction which is most suitable for them (they prepare for the topics in advance).</p> <p>Students are encouraged to use office hours (held once a week) to gain feedback on their progress.</p>
	<p>Summative assessment scheme</p> <p>Short quizzes are written at the beginning of classes, making sure that students read the respective materials in advance. These are multiple choice questions which test if students are aware of the basic concepts of the given topic and able to provide an intuitive interpretation of these concepts. (LOs 1, 2, 3, 4)</p> <p>Group works are held at the end of every second-third session. The objective of these discussions is to drive students to apply their knowledge with respect to a specific case/problem derived from real life examples. (LOs 6, 7, 8)</p> <p>Home assignments are designed to test students' understanding of the topics through model calculations. Using the models learnt in class they have to solve numerical examples and they also have to apply these models in a creative way to solve some real-case scenarios. (LOs 5)</p> <p>Two term papers provide a comprehensive assessment of students' ability to interpret and use their knowledge. One is written mid-term and focuses on the first half of the topics (trade theory and trade policy), while the second is written at the end of the semester and focuses on the second half of the topics (international finance). Both term papers are made up of two parts. In the first part with multiple choice questions students are called to prove that they are aware of the main concepts of the material and are able to interpret the main messages of the models they have learnt. In the second part students are given questions which they have to answer by providing a short (5-10 sentences) comprehensive essay. These questions focus on how the students can apply the learnt concepts in some cases and also how they can match different aspects/parts of the learning material by providing a complex answer. (LOs 1, 2, 3, 4, 5, 7)</p> <p>Resit opportunities</p> <p>All assessment elements must be accomplished at least at 51% to pass the course. Short quizzes, group discussions and home assignments cannot be resit. Upon special and proven circumstances (illness, etc.) individual derogations may be applied (delayed</p>

	<p>deadline, extra work, etc.). Students must apply for these derogations until deadline of the given task at latest. There are one resit opportunity for each term papers during the exam period.</p>	
	Seen examination	
	Unseen examination	<ul style="list-style-type: none"> • Term paper 1: 30% • Term paper 2: 30%
	Coursework (no examination)	<ul style="list-style-type: none"> • Short quizzes: 20% • Group work + Home assignments: 20%
13.	Timetabled examination required	YES
14.	Length of exam	1 hour
15.	Learning materials <ul style="list-style-type: none"> • Essential • Recommended 	<u>Essential:</u> Krugman, P.R., Obstfeld, M., Melitz, M.J.: International Economics. Theory & Practice (<u>ninth</u> edition or later). <u>Recommended:</u> Selected short essays on actual topics, news reflecting actual developments in international trade and finance