

ECON 25: THE GLOBAL ECONOMY

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Summer 2021
Units:	4
Hours:	4 lecture per week (48 total per quarter)
Advisory:	ECON 1A and 1B.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Area IV: Social & Behavioral Sciences
Transferable:	CSU/UC
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

Student Learning Outcomes

- Employ economic models to illustrate the benefits of free trade.
- Assess the relative merits of protectionist arguments.
- Analyze shocks to the foreign exchange market using a supply and demand diagram.

Description

Analysis of increasing economic integration in the post-WW II era with a focus on international trade and investment. Introduction to international economic organizations such as the WTO and IMF.

Course Objectives

The student will be able to:

- Graphically illustrate and explain comparative advantage.
- Graphically illustrate tariffs and quotas in the supply and demand model.
- Critically assess the motivations for protectionism.
- Analyze exchange rate adjustments employing the supply and demand model.
- Evaluate balance of payment transactions and accounting.
- Examine the origins of a balance of payments crisis.
- Critically assess the role and controversies surrounding the International Monetary Fund and the World Trade Organization.
- Compare and contrast contending views on global economic relations.

Course Content

- Comparative Advantage
 - Economic resources
 - Ricardian Production Possibilities Frontier
 - Opportunity cost
 - Gains from trade
 - Terms of trade
- Protectionism
 - Supply and demand
 - Consumer and producer surplus
 - Tariffs

- Quotas
 - Agricultural subsidies
 - Other non-tariff barriers
 - Infant industry
 - Labor concerns and trade
 - Environmental concerns and trade
- WTO
 - History
 - Controversies
 - Exchange Rates
 - The foreign exchange market
 - Floating exchange rates
 - Fixed exchange rates
 - Floating pegs
 - Dollarization
 - Currency speculation
 - Sterilized intervention
 - Optimal Currency Areas
 - The Euro
 - Balance of Payment Accounting
 - Current account transactions
 - Capital account transactions
 - Official reserves transactions
 - BOP imbalances
 - IMF
 - History
 - Currency crises
 - Controversies

Lab Content

Not applicable.

Special Facilities and/or Equipment

When taught as an online distance learning section, students and faculty need ongoing and continuous internet and email access.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

- Multiple choice examinations
- Written response examinations
- Class participation/presentation

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

- Lecture
- Class discussion
- Presentations

Representative Text(s) and Other Materials

Carbaugh, Robert. [International Economics, 17th ed.](#). 2018.

Roberts, Russell. [The Choice: A Fable of Free Trade and Protection, 3rd ed.](#). 2006.

Although the Roberts text is older than the suggested "5 years or newer" standard, it remains a seminal text in this area of study.

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

- A. Presentations - each student will present to the class on an instructor-approved topic
- B. Article summaries

Discipline(s)

Economics