



Module	International Trade and the Open Economy		
Area of study/Profile	International Economics, Economic Policy		
Recommended semester	3-6 (Undergraduate)	Mandatory/elective	Exchange students only
Module coordinator	Minter	Work load	120 – 180 hours
ECTS (credit points)	4 or 6	Contact hours (SWS)	2
Course type	Lecture	Language	english
Rotation	Every Winter term		
Requirements	Basic command of microeconomics and macroeconomics.		
Learning/ qualification target	<p>After successfully completing this course you should be able to:</p> <ol style="list-style-type: none"> <li>1. Explain key factors determining international trade patterns and exchange rates.</li> <li>2. Develop a critical perspective towards issues of globalisation and its effect on efficiency and income redistribution.</li> <li>3. Understand the nature and origins of different exchange rate regimes.</li> <li>4. Analyse the relation between interest rates across different countries and exchange rates.</li> </ol>		
Content	<p>This course introduces you to a set of interrelated issues in International Economics and Globalisation. We examine the answers to the following questions:</p> <ol style="list-style-type: none"> <li>1. What are the proximate and underlying factors and forces that explain international trade?</li> <li>2. Which effect has market liberalization on efficiency and income redistribution between skilled/unskilled workers and capital?</li> <li>3. How are interest rates related to exchange rates and what are the implications for economic policy?</li> <li>4. Why do exchange rate regimes differ across countries?</li> </ol>		
Examination type	<ul style="list-style-type: none"> <li>• Written Examination (60 Minutes for 4 ECTS, 90 Minutes for 6 ECTS)</li> <li>• Exam for 6 ECTS includes questions on additional literature</li> </ul>		
Literature	<ul style="list-style-type: none"> <li>• Krugman, P., Obstfeld, M. and M. Melitz, <i>International Economics: Theory and Policy</i>, Pearson, 2014, 10th edition</li> </ul>		

	<ul style="list-style-type: none"><li>• Blanchard, O., <i>Macroeconomics</i>, Prentice Hall, 2016, 7th edition</li><li>• Markusen, J.R., Melvin, J.R., Kaempfer, W.H. and K.E. Maskus, <i>International Trade: Theory and Evidence</i>, McGraw-Hill, 1995</li></ul>
Additional information & links	Lecture slides and additional readings will be available via ILIAS.

**Time and place in winter term 2017/18: Wednesdays 12-14h in Room 2330**