



SDNY BUSN 3374
International Economics
CAPA SYDNEY PROGRAM

Course Description

The International Economics module provides an understanding of the key economic issues in the global business environment and analyses the ways in which global businesses are impacted by real world developments in economics, politics and finance. The business environment is dynamic in nature. The course is therefore updated periodically to include current real-world evidence as well as recent academic and empirical findings. The five broad topics covered in the course are: Globalization; Country Differences; Cross-Border Trade and Investment (I) Goods and Services and (II) Capital and Labor; the Global Financial Architecture; and Competing in a Global Market Place. An overview of these five topics is provided below.

Part I: Globalization

Understanding the historical context of globalization is the starting point for developing insights into the state of globalization today. This topic discusses the drivers and importance of globalization, the emergence of the Bretton Woods global institutions in the post-War period, the state of the globalization debate and the impact of globalization on developed and developing countries.

Part II: Country Differences

This topic looks at different economic systems (with an emphasis on capitalism and socialism), reviews economies in transition and transformation as well as the challenges faced by countries in effectively managing these changes. It examines the key issues in economic development and the rise (and stagnation) of both advanced Western economies as well as developing countries. It then proceeds to examine the drivers of wage growth, the relationship between wages and labour productivity, and their national and regional dimensions.

Part III: Cross-Border Trade and Investment

I: Goods and Services

This topic reviews international trade in goods and services. It first examines the theoretical underpinnings of international trade, providing case studies to illustrate concretely their real-world outcomes. This is followed by an examination into trade pacts such as the European Union and NAFTA, an overview of recent developments towards free-trade pacts between Asia-Pacific, Europe and the Americas, and a critical overview of the major trade strategies such as infant industry protection.

II: Capital and Labour

This topic examines outward foreign direct investment and inward economic migration. It first examines why different countries/ regions show a predilection for one or the other option during their expansionary cycles – Japan and other Asian tigers engage primarily in FDI while European economies have tended to prefer the inward movement of labour. It also examines the theories of firm transnationalisation and the costs and benefits of economic migration for home and host economies.

Part IV: The Global Financial Architecture

This topic examines how financial systems at both national and international levels impact on commercial activities of firms and the economic structures of nations. It includes a comparative analysis of stock-market-oriented and bank-based national financial systems and their implications for management priorities and firm competitiveness. It then proceeds to provide a critical review of the political economy of financial crises, with a detailed focus on the debt crises in the Developing World in the 1980s and the more recent Greek/ Eurozone debt crisis. The regulatory frameworks and multilateral institutions such as Bretton Woods and the IMF/ World Bank, including their operations, management and efficacy, will also be introduced and interrogated in this context.

Part V: Competing in a Global Market Place

This topic adopts the perspective of Developing Countries and reviews the economic opportunities of, and constraints to, participating in the global market place: topics include trade and investment strategies, the role of the state, aid and debt, and the management of human resources to compete effectively. Learning and assessment will take place primarily through the Globally Networked Learning (GNL) project devised for international collaboration between London- and Sydney-based students.

Course Aims

The aim of this course is to help students examine the current economic landscape through topical discussions of current economic and political development and their impact on international economics. As such, the two underlying themes evident throughout the module are the contemporary context and the localized content of the material.

Theme I: Contemporary Context

As the business environment is dynamic in nature and is impacted by real world developments in economics, politics and finance, the course coverage is updated periodically to include current real-world evidence as well as recent academic and empirical findings. As such, during this semester topics such as Brexit (Britain's exit from the European Union), the Greek Debt Crisis, and the rapid erosion of OPEC's energy power, will all be examined in detail.

Theme II: Localized Content

The 21st Century has been described in global economic terms as the 'Asian Century.' This is reflected in the global forecasts for the country/region share of the global GDP, economic growth rates, share of global trade and FDI flows. Understanding the economic dynamics of this region and trade relationships (current and emerging/under negotiation) is therefore critical for international business managers. Australia's economic future is largely tied to the region and to China in particular. This in part helped Australia weather the Global Financial Crisis relatively unscathed. As a comparatively small economy Australia is heavily dependent on foreign direct investment, with China being one of the largest investors in the country. Equally, Australia's outward FDI is predominantly into the region. By studying this course in Sydney, students are exposed to the region and its influence on and importance to the global economy, and the structural challenges and opportunities facing developed economies like Australia in the face of Asia's growing dominance. The research paper project provides the students an opportunity to explore this localised context and to demonstrate their learning outcomes from this unique opportunity provided studying International Economics at the CAPA Sydney Centre.

Requirements and Prerequisites

This course assumes a basic level of knowledge of economics. Students from a variety of backgrounds and interests are encouraged to take this class. Students will find the course provides a good foundation for internships and further studies in business, economics, or global studies.

Learning Outcomes

After taking this course, students should be able to:

- a. Gain a broad understanding of the key issues in international economics.
- b. Develop an understanding of the political and economic context within which international economics operates.
- c. Apply the various theoretical aspects of the principles of finance and economics in an international context.
- d. Recognize the main economic development issues faced by developing countries in particular the impact of globalization, including growing economic interconnectedness, and their consequences for inter- and intra-national inequalities.
- e. Gain a good working knowledge of the international economic environment and recognize the linkages between political, economic and financial developments and their impact on international business.

- f. Gain a good working knowledge of the operations and key issues surrounding international capital and trade flows, foreign direct investment, international capital markets and institutions.

Developmental Outcomes

Students should demonstrate: responsibility & accountability, independence & interdependence, goal orientation, self-confidence, resilience, appreciation of differences. Students will also develop the following skills during this course:

- Problem analysis
- Develop good reading habits
- Critical thinking
- Working independently and as part of a team
- Personal reflection

Class Methodology

This class will be participative and will require students to contribute individually and as part of a team. The course content and delivery will create a framework where students reflect critically on the weekly discussion topics. The students will be expected to devote an hour per day keeping up with the current issues in international finance. (Expected reading sources should include *The Economist*, *Financial Times* and *The New York Times*). The teaching and learning methods will be a blend of the following:

- Lectures
- Reflections & observations
- Readings on current topics
- Class discussions
- Globally Networked Learning

Field Components

CAPA provides the unique opportunity to learn about the city through direct, guided experience. Participation in field activities for this course is required. You will actively explore the Global City in which you are currently living. Furthermore, you will have the chance to collect useful information that will be an invaluable resource for the essays/papers/projects assigned in this course.

The assigned field component(s) are:

CAPA provides the unique opportunity to learn about the city through direct, guided experience. Participation in the field activity(s) for this course is required. You will actively explore the Global City you are currently living in. Furthermore, you will have the chance to collect useful information that will be an invaluable resource for the essays/papers/projects assigned in this course.

Examinations

The **Mid-term Exam** will be an online in class exam.

The **End-of-Module Exam** will be an online in class exam.

Assessment and Grading

Task	Due	Weighting	SLO
1. Class Participation and Observations		10%	all
2. Mid-term Exam		20%	all
3. GNL Project		40%	all
4. Final Exam		30%	all

DESCRIPTOR	ALPHA	NUMERIC	GPA	REQUIREMENT/EXPECTATION
Outstanding (High Distinction)	A	93+	4.0	Maximum grade: In addition to description for grade "A-", the student shows detailed understanding of materials about which he or she can show independent analytical ability. This means the ability to question an issue from different perspectives and evaluate responses in an objective manner.
Excellent (Distinction)	A-	90 - 92	3.7	Student shows understanding of literature beyond the textbook/class hand-outs/class notes, and the work shows a high level of independent thought, presents informed and insightful discussion and demonstrates a well-developed capacity for evaluation.
Very good (High Credit)	B+	87 - 89	3.3	Shows evidence of a capacity to generalise from the taught content, or the material in literature, or from class lectures in an informed manner. Also, the work demonstrates a capacity to integrate personal reflection into the discussion and an appreciation of a range of different perspectives.
Good (Credit)	B	83 - 86	3.0	The work is well organised and contains coherent or logical argumentation and presentation.
Good (Credit)	B-	80 - 82	2.7	Student shows understanding of literature beyond the textbook and/or notes, and, there is evidence of additional reading.

Average (Good Pass)	C+	77-79	2.3	The work demonstrates a capacity to integrate research into the discussion and a critical appreciation of a range of theoretical perspectives. Also, the work demonstrates a clear understanding of the question and its theoretical implications and demonstrates evidence of additional reading.
Adequate (Pass)	C	73 - 76	2.0	Shows clear understanding and some insight into the material in the textbook and notes, but not beyond. A deficiency in understanding the material may be compensated by evidence of independent thought and effort related to the subject matter.
Below Average (Borderline Pass)	C-	70-72	1.7	Shows some understanding of the material in the textbook and notes. A deficiency in any of the above may be compensated by evidence of independent thought related to the subject matter.
Inadequate (Borderline Fail)	D+	67 - 69	1.3	Fails to show a clear understanding or much insight into the material in the textbook and notes
Poor (Fail)	D	60 - 66	0.7 - 1.0	Besides the above for D+, student has not shown interest or engagement in the class work or study.
Poor (Fail)	F	<60	0	Shows little or no understanding of any of the material
Incomplete	I			Please see CAPA policy in the Academic Handbook.

GNL Project – this course includes a Globally Networked Learning Project devised for international collaboration between London- and Sydney-based students.

Course Materials

Required Readings:

- Hill, Charles W.L., Hult, G. Thomas M. (2018). *Global Business Today*. McGraw Hill Education, 10th Edition

Global Business Today will provide relevant preparatory reading before each session. It is fine to use previous editions or online versions of the textbook. You could obtain used copies of the book at substantial discounts

through the online marketplace. The book is also available for electronic download through the publisher and will be placed in the CAPA library for reference purposes

Required Articles/ Reports

A key feature of this module is that it emphasizes international economics of the real world in general and contemporary economic and financial phenomena in particular. As such, rather than rely solely on a textbook, selected readings (usually from the past 18 months) from a wide variety of sources – including investment bank research reports, government findings, business media articles, and think tank briefings – will be posted on Canvas at the end of each session. The purpose of the reading is not to prepare the student for the session but rather to build on knowledge imparted during the lecture.

Recommended Reading(s):

Recommended readings as well as documentaries and films relevant to the topics discussed in the lecture will be uploaded onto Canvas after each session. Independent engagement with the global business media is also encouraged. The Economist, Financial Times and Wall Street Journal all provide robust analyses of contemporary economic, political and financial phenomena. Students should devote one-hour daily minimum reading the global business media.

Weekly Course Schedule

Session 1	
Lesson Number / title	1. Introduction
In-class activity	<ul style="list-style-type: none"> • Introduction • Emergence of Global Institutions • Drivers of Globalisation • Changing face of globalization • The globalisation debate
Readings	Chapter 1
Session 2	
Lesson Number / title	Online
Session 3	
Lesson Number / title	2. Country Differences – Part 1
In-class activity	<ul style="list-style-type: none"> • National differences in Political Economy • Determinants of economic development • States in Transition • Nature of economic transformation
Readings	Chapters 2-5
Session 4	
Lesson Number / title	3. Country Differences – Part 2
In-class activity	<ul style="list-style-type: none"> • Differences in Culture • Perspectives: social, ethical, language, education • Managing cultural differences from an international business perspective
Readings	Chapters 2-5

Session 5	
Lesson Number / title	4. Cross Border Trade and Investment – Part 1
In–class activity	<ul style="list-style-type: none"> • International Trade Theories: Comparative Advantage, Heckscher-Ohlin, Product Life Cycles • Political Economy of International Trade • Instruments of Trade Policy • Case for government intervention
Readings	Chapters 6-7
Session 6	
Lesson Number / title	5. Cross Border Trade and Investment – Part 2
In–class activity	<ul style="list-style-type: none"> • Foreign direct investment • Theories & political ideology • Costs and benefits (supply & demand perspectives) <p>Government policy instruments</p>
Readings	Chapter 8
	Mid-Semester Break
Session 7	
Lesson Number / title	6. Mid Semester Exam & Cross Border Trade and Investment – Part 3 & GNL Project Introduction
In–class activity	<ul style="list-style-type: none"> • Introduction to the <u>GNL Project</u>, class division into groups, research and preparation • Levels of Economic Integration: global • Regional integration: Europe, Americas, Asia, Latin America, Africa
Readings	Chapter 9
Session 8	

Lesson Number / title	7. Global Monetary System
In-class activity	<ul style="list-style-type: none"> • Foreign exchange market place • International Monetary System: historical evolution & present-day perspectives • International financial institutions
Readings	Chapters 10-11
Session 9	
Lesson Number / title	8. Global Market Place – Part 1
In-class activity	<ul style="list-style-type: none"> • Strategy of international business • Entering foreign markets • Imports & exports
Readings	Chapters 12-17 (Overview)
Notes	Excursion assignment worksheet provided at the end of class
Session 10	
Lesson Number / title	9. GNL Video Presentations & Global Market Place – Part 2
In-class activity	<ul style="list-style-type: none"> • Exports & Imports • Global production & offshoring • Global marketing & human resource issues
Readings	Chapters 12-17 (Overview)
Session 11	
Lesson Number / title	Final Exam
Session 12	
Lesson Number / title	TBA

Attendance, Participation & Student Responsibilities

Attendance: CAPA has a mandatory attendance policy. Attendance is taken at the beginning of every class. The first time a student has an unexcused absence for a class, their grade will not be impacted. The second time a student has an unexcused absence in that class, it will result in a 3 percent reduction of the final grade (for example: an A- [92] will become a B+ [89]). The student will be placed on academic probation at this time. Three unexcused absences per class will result in failure of the course. A pattern of three absences in more than one course will result in dismissal from the program. If a student arrives late for a scheduled class, it is the student's responsibility to notify the instructor to ensure that they are added to the class register for the session.

Excused Absences: Absences are only excused for medical reasons, for a family emergency or for a religious holiday. To request an excused absence, students must contact excused.absence@capa.org ahead of time and provide evidence (e.g. a doctor's note) of the reason for their absence, otherwise the absence will not be excused. Even if the student knows the absence will not be excused, the student should still contact CAPA to inform CAPA they will not be in class. In addition to contacting excused.absence@capa.org, it is the responsibility of the student to contact their instructor and make up any missed assignments.

Class Participation: Students are expected to participate in all classes and to participate actively and critically in class discussions, and the participation portion of the class will be graded accordingly. Students must read assigned reading BEFORE the class and arrive at the session on time. Participation is a vital part of students' grade: students are expected to participate in class and in online forums and discussions in a critical and evaluative manner; to interact with the faculty and fellow students with respect and tolerance; and to actively engage in discussion. Derogatory or inflammatory comments about the cultures, perspectives or attitudes of others will not be tolerated.

Academic Accommodations: Any student who feels they may need an accommodation based on the impact of a physical, psychological, medical, or learning disability should contact the instructor and/or the Director of Academic Affairs privately to discuss their specific needs. Students requesting accommodations must have their home institution's Disabilities Services or an appropriate licensed professional or healthcare provider submit official documentation directly to CAPA in a timely manner outlining their specific needs. If the documentation is submitted by a provider other than the home institution's Disabilities Services, it must be someone familiar with the history and functional limitations of the student's disability (not a relative or family member of the student). Any required accommodations will be approved by CAPA's Vice President for Academic Affairs, in consultation with relevant Academic Directors, before being relayed to faculty. Any student who requires an accommodation based on official documentation should also discuss their needs directly with their instructor.

Academic Integrity: A high level of responsibility and academic honesty is expected. Because the value of an academic course depends upon the absolute integrity of the work done by the student, it is imperative that a student demonstrates a high standard of individual honor in their scholastic work and class behavior. Plagiarism, self-plagiarism and cheating can result in dismissal from the program. Self-plagiarism, copying an assignment entirely or partially to submit to a different class in an attempt to receive credit twice for one piece of work is unacceptable and considered cheating by duplication. Students risk receiving a "0" for any assignments in which they have duplicated their own work. All substantial writing assignments will be run through the plagiarism checking software Turnitin when submitted via CANVAS. See CAPA's Academic Standards and Policies for more information and resources on plagiarism.

Sexual Misconduct, Required Reporting, and Title IX: CAPA: The Global Education Network is committed to encouraging a safe and healthy environment at our CAPA centers. This commitment includes the understanding of, and applicable adherence to, the guidelines outlined in Title IX of the Education Amendments of 1972. Title IX necessitates that US universities provide equity in all educational programs and activities without sex discrimination. CAPA understands the implications of Title IX compliance for our institutional partners and thus endeavors to support this compliance as a vital aspect of partnership. The safety and security of all students during a program is a matter of crucial importance to CAPA. To facilitate this, CAPA encourages students to openly disclose any and all information that is Title IX relevant so that CAPA staff can provide support and connect students with appropriate resources. Because students may not understand the implications of Title IX abroad, CAPA will work to advise students about the resources available through Title IX and explain the importance of compliance in Title IX reporting. CAPA will work to build student confidence in CAPA's status as a mandated reporter by outlining the advantage of disclosure

for the student, reassuring them that any information disclosed will not be used in an inappropriate manner, and stressing that individuals will only be informed on a need-to-know basis.

Use of Electronic Equipment in Class: All devices such as laptops, i-pods, i-pads, netbooks, notebooks and tablets, smartphones, cell phones, etc. are NOT allowed unless students have express permission from the faculty, or they have been instructed to do so. If students require an accommodation to use any type of electronic equipment, they must inform the Director of Academic Affairs at the beginning of term.

Use of Electronic Translators: In language courses students are NOT allowed to use electronic translators for writing texts in the target language: those submitting compositions and texts of whatever kind translated in such a fashion will receive a "0" (F) grade for the course.

Late Submission: Late submission of papers, projects, journal entries, pieces of homework and portfolios is only permitted with prior approval. A request for an extension must be made to the relevant faculty member no later than two days prior to the due date. Late submission without prior approval will result in a 3 percent per day deduction of the final grade. In either case, work cannot be submitted after feedback has been provided to the rest of the class on the relevant assessment or one week after the due date whichever comes first, after which point a grade of "0" (F) will be given for the assessment.

Behavior during Examinations: During examinations, students must do their own work. Unless specifically instructed by the lecturer or instructor, talking during an exam is not permitted, and students may not access online resources of any kind, compare papers, copy from others, or collaborate in any way. Any failure to abide by examination rules will result in failure of the exam and may lead to failure of the course and disciplinary action.