

# ***THE INSTITUTE OF ECONOMIC AND POLITICAL STUDIES***

***CAMBRIDGE***

## **INTERNATIONAL ECONOMIC ISSUES**

Prerequisites: Introductory Micro and Macroeconomics

### **Course Description**

This supervision aims to provide students with the opportunity to explore a number of topical issues and current debates in international economics. With the acceleration in international integration and the globalization many of these issues have moved center stage in discussions of macroeconomic policy. The supervision is not a textbook course but rather aims to show students how basic economic analysis can be used to address and analyze important issues in international economics that bear on macroeconomic policy and wider questions relating to national economic development. For each topic the course material is structured to acquaint students with the relevant economic theory, empirical evidence and the implications for government policy.

### **Lecture List**

1. Foreign direct investment and its impact on host countries using a case study of a multinational car plant.
2. Can an economy's economic growth be constrained by its balance of payments?
3. Interpretations of the movement of the US dollar against the British pound and the Euro in the light of the theory of exchange rate determination.
4. Comparative advantage and trends in manufacturing trade.
5. Trade in agricultural products and the reform of the European Commissions Common Agricultural Policy (CAP).
6. Analysing global economic interdependences-a case study of the global impact of changes in oil prices.
7. International debt crises and structural adjustment policies in developing economies.
8. The South East Asian financial crisis and international capital movements.
9. National structural economic change and international trade-a case study of de-industrialisation in an advanced industrialised economy.
10. The case for and against participation in a monetary union-Britain and the Euro.

## **Core Reading List**

Begg, D., Dornbusch, R.

& Fischer, S.

Economics

Krugman, P.R. & Obstfeld, M.

International Economics

Thirlwall, A.P.

Balance of Payments Theory and Policy

## **Method of Assessment**

Readings for each week from The Marshall Library in the Faculty of Economics and Politics

A weekly essay to be presented in class for discussion on each of the above topics.