Aims

EC1111 is an introductory course that examines global policy issues from both a theoretical and empirical perspective. The course will introduce the economic study of a number of international problems of current relevance and the policy alternatives that deal with them. It will combine basic economic theory with applied analysis of policy which will be supported with illustrative case studies. The theoretical elements of the course will be at a level suitable for students taking EC1101, Principles of Economics. In addition, the course aims to develop in students the ability to evaluate international economic issues, and to develop skills in resolving these issues while improving written communication and presentation skills. Further, this course also exposes students to a wide range of relevant and interesting issues that will guide them in choosing a research topic to write their Quantitative Methods II Project in the second year.

Learning Outcomes

Upon completion of the course, students should be able to:

• understand how economic theory and empirical analysis are used to study problems involving several countries.
• demonstrate the effects of alternative economic policies devised to deal with economic problems that have an international dimension, the role of economic incentives and the difficulties involved in co-ordinating and enforcing these policies.
• evaluate arguments espoused by different sides in resolving major international economic issues.
• critically evaluate alternative solutions to economic problems that have a global impact and the effects of alternative economic policies.

Course Delivery

The course will be delivered through a two-hour lecture and a one-hour seminar each week. Specific learning outcomes and prescribed reading are provided for each week of the course. A Project/Problem-Based Learning approach combined with elements of FLIPPED Classroom will be adopted in Lectures. Lecture notes, additional reading, media resources and problem sets will be posted on the course website before the lectures. The core elements and theory of the topics will be discussed at the beginning of the Lecture and the rest of the session will be devoted to discussing and evaluating relevant economic problems/issues. Seminars will be based upon homework distributed in the previous week's lecture. I will be available for consultation (either by you individually, or in small groups) during advertised office hours or by appointment. Students can also contact me via e-mail.

Assessment

Assessment for EC1111 International Economic Policy is based on four components. The first component is a group-work based assessment on a Poster, weighted at 5%. For the poster, you will
be required to work in a group of 3-4 students, and submit as a team. The topic will be announced in advance. The second is an in-class test contributing 15% of the final marks, and the third is an individual take-home essay, contributing 10% of the final marks. Finally, there is a two-hour unseen examination in the summer term, which contributes 70% of the final marks. The dates for the continuous assessment are laid out in the current Student Handbook and in Moodle.

Reading

The reading for is compiled in a Course Reader Pack, which is available for purchase in electronic version. The lectures will closely follow the prescribed Course Reader Pack; most of the chapters are compiled from various textbooks at introductory level and should not pose particular difficulties to you if read well in advance. The topics are meant to make economics interesting and illustrate its applications in a wide range of everyday issues. It is common for first year students to encounter new terms and concepts that may be difficult to understand. When that is the case, students should ask for clarifications during seminars and should be willing to discuss them in order to master them. Students are advised to dedicate around six hours of study per week to this course.

Occasionally, you may be required to supplement your studies with further journal articles or media reports. These will be accessed either in the Bedford Library collection or through the Internet. Visit http://www.lb.rhul.ac.uk/ejournals/ from any campus-based computer and look for the journal you need. Most of the journal articles would come from JSTOR, the Copenhagen Consensus and the IMF’s Finance and Development websites:
http://uk.jstor.org/
http://www.copenhagenconsensus.com

Weekly Timetable

Lecture 1. The World Economy and Trade liberalisation
Course Reader: Chapters 1, 2

Lecture 2. The WTO and trade
Course Reader: Chapter 2
The Cancun Challenge – The Economist, September 4, 2003 – Downloadable from Moodle
The Death of the WTO Doha Talks, Evan Davis, BBC website at:
http://news.bbc.co.uk/1/hi/business/5215318.stm

Lecture 3. Migration issues
Course Reader: Chapter 3
Jeffrey Williamson (2006), Global Migration, Finance and Development

Lecture 4. Foreign Direct Investment
Course Reader: Chapter 3
P. Loungani and A. Razin (2001), How Beneficial is Foreign Direct Investment for Developing Countries?, Finance and Development
Assaf Razin (2003), FDI Flows and Domestic Investment: An Overview, CESifo Economic Studies (*)
http://cesifo.oxfordjournals.org/content/49/3/415.full.pdf+html
Assaf Razin and Ephraim Sadka – Foreign Direct Investment: Analysis of Aggregate Flows, Princeton University Press, Chapter 1 – Overview

Poster – a Groupwork submission during Lecture 4

Mid Term Test – In class during week before midterm break

READING WEEK

Lecture 5. Governance and Corruption
Course Reader: Chapter 4
downloadable at http://www.sscnet.ucla.edu/polisci/faculty/treisman/

Lecture 6. The Economics of Transition
Course Reader: Chapter 5
P. Mitra and M. Selowsky (2002), Lessons from a Decade of Transition in Eastern Europe and the former Soviet Union, Finance and Development

Lecture 7. Poverty
Course Reader: Chapters 6, 7
Poverty In Latin America: New Thinking about an Old Problem, The Economist, September 22, 2005
T. Besley and R. Burgess (2003), Halving Global Poverty, Journal of Economic Perspectives

Lecture 8. Inequality
Course Reader: Chapter 7, 8
Inequality in Latin America: A Stubborn Case, The Economist, November 6, 2003

Coursework – Essay to be submitted online via Turnitin this week

Lecture 9. Financial Crisis
Course Reader: Chapter 9
S. Claessens (2012), Shedding Debt, Finance and Development,
L. Kodres and A. Narain (2012), Fixing the System, Finance and Development,