







5.00 credits

30.0 h

Q2

Teacher(s)	Fagnart Jean-François ;
Language :	English
Place of the course	Bruxelles Saint-Louis
Prerequisites	<i>The prerequisite(s) for this Teaching Unit (Unité d'enseignement – UE) for the programmes/courses that offer this Teaching Unit are specified at the end of this sheet.</i>
Learning outcomes	<p>At the end of this learning unit, the student is able to :</p> <ul style="list-style-type: none"> • Explain, using different models of international trade, the origins of countries' comparative advantages and gains from international trade. • Explain, using different models of international trade, the mechanisms by which gains from trade are distributed between countries and, within each country, between categories of individuals. Identify which categories of individuals gain or lose from international trade. • Study the consequences of restrictions on free trade in the context of international trade models. Discuss the arguments for and against the introduction of trade restrictions. • Explain the determinants of short- and long-term exchange rates • Identify the roles of the exchange rate system and the mobility of financial capital in the functioning of an economy.
Evaluation methods	<p>Written (closed book) final exam of three hours.</p> <p>The exam questions are based on a list of learning outcomes provided for the different chapters of the course (and for the personal readings).</p> <p>The final mark is the arithmetic sum of the marks obtained for the various questions in the examination</p>
Teaching methods	<p>During the lectures, a selection of the chapters of the reference book is presented and illustrated on the basis of various real life examples and complementary readings.</p> <p>Students must also make a few personal readings (either of other chapters of the book or of relevant articles).</p>
Content	<p>The course provides an introduction to International Economics. This field of Economics analyses how nations interact through trade of goods and services, flows of money, and investment and what are the consequences of these interactions. This field is as old as the discipline of Economics itself (see e.g. David Hume (1758), <i>Of the Balance of Trade</i>) but it is increasingly important as over the last decades, international trade and financial integration have been growing between nations.</p> <p>The course consists of the two main parts:</p> <ol style="list-style-type: none"> 1. The first part covers international trade theory and policy. It analyses questions like 1) what explains the patterns and volume of trade between countries, 2) why and how countries (potentially) gain from trade and why gains from trade are usually not shared equally between and within countries, 3) the labour market implications of international trade, 4) the instruments of trade policy. 2. The second part is about open-economy macroeconomics. It studies how international trade and capital mobility impact macroeconomic outcomes and the effectiveness of national macroeconomic policies. Covered topics are a.o. 1) the determination of the current account, 2) the limitations on foreign borrowing and lending, 3) the determination of the nominal and real exchange rates, 4) the consequences of financial globalization.
Inline resources	<p>On the moodle platform for this course, the students can find</p> <ol style="list-style-type: none"> 1. all the slides used during the lectures, 2. a list of the expected learning outcomes for the different chapters of the course, 3. examples of past exams.
Bibliography	Krugman Paul, Maurice Obstfeld and Marc Melitz (2022), <i>International Economics: Theory and Policy</i> , Global Edition, Pearson, 12th edition (the 11th and 10th editions suit as well).
Faculty or entity in charge	ESPB

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Learning outcomes
Bachelor in Economics and Management	ECGB1BA	5	BECGE1210 AND BECGE1211	
Bachelor in Economics and Management (French-English)	ECAB1BA	5		
Bachelor in Economics and Management (French-Dutch-English)	ECTB1BA	5		
Bachelor : Business Engineering	INGB1BA	5	BECGE1210 AND BECGE1211	
Bachelor : Business Engineering (French-English)	INAB1BA	5		
Bachelor : Business Engineering (French-Dutch-English)	INTB1BA	5		
Bachelor of Science in Business Engineering	BBEB1BA	5	BECGE1217	