

Economics 2100 – The Global Economy

Instructor: Neven T. Valev
E-mail: nvalev@gsu.edu
Office Hours: To be announced

Objectives and plan

We will become familiar with fundamental economic principles and the main facts about the operation of the world economy. Along with that, we will focus on several major problems facing policymakers such as managing international trade and investment, promoting economic development, preventing and containing financial crises, promoting market reforms and designing institutions for international economic cooperation. The instructor does not assume prior knowledge by the students on these matters.

Topics

- Measuring the economy: gross domestic product, employment, and inflation.
- Economics principles: scarcity, opportunity cost, production possibilities, comparative advantage, and the gains from exchange.
- Facts about the world economy: global GDP over time, the largest economies, the richest economies, the fastest and slowest growers; the globalization of trade, finance and labor over time.
- International finance: major players and assets, the determinants of currency values, exchange rate policy, international capital flows, currency crises.
- International trade: the gains and distributional impacts of free trade, restrictions to trade, free trade agreements, opposition to free trade.
- Economic development: income and other measures of prosperity, sources economic growth, development miracles and disasters, the role of institutions, education, finance, trade and the government.
- International organizations: the International Monetary Fund, The World Bank, the World Trade Organization, the UN Development Program, the Bank for International Settlements.

Grades

The overall score for the course will be based on the following:

Midterm 1:	22.5
Midterm 2:	22.5
Final exam:	22.5
Research project:	22.5
Class participation and quizzes:	10
Total	100

The exams are based on the lecture material, assigned readings, and the research projects. To guarantee yourself a particular grade you must obtain the following percentages of the available points: An “A+” requires at least 96% of total points; an “A” requires at least 92% of total points;

an “A-” requires at least 88% of total points; a “B+” requires at least 85% of total points; a “B” requires at least 82% of total points; a “B-” requires at least 78% of total points; a “C+” requires at least 75% of total points; a “C” requires at least 72% of total points; a “C-” requires at least 68% of total points; a “D” requires at least 58% of total points; less than 58% of points is fail.

Readings

There is no textbook for the class. The instructor will make his lecture notes and other readings available on Ulearn.

Attendance

Attendance will not be taken. However, we will have occasional quizzes. Also, the exams are based only on material covered in class. Class participation is also an important part of the grade.

Research Projects

Students will form groups of five or six and will choose a topic from the list provided below. The research project consists of two parts

- writing a paper on a topic
- presentation in class

80 percent of the grade for the project will come from the paper, 20 percent will come from the presentation.

The paper should be between 15 and 20 pages, double spaced, font 12 using Microsoft Word. The criteria for grading the paper are the following:

- The amount of relevant information in it. That means that you have to find sources and use them well. Twenty pages are enough to be fairly comprehensive on a topic. Use 10-15 sources. These are books, articles, information from Internet sites, etc.
- Is the paper structured well? Do the parts follow logically one after another?
- In addition to factual information, feel free to express opinions on the topic and present arguments for it.
- The paper has to read well. It should not be simply a compilation of the parts that each member wrote separately. Different parts need to tie in well.

Papers are due on the **Tuesday** before your presentation on Thursday. Bring a **hard copy** as well as an **electronic copy** on a disk which I can post on the Internet right away.

The presentations use Power Point. You may also find some interesting video. They take about 30 minutes during which questions are not asked, followed by 10 minutes for questions and answers. You should practice before the presentation to make sure you fit into that time-frame. The time is sufficiently long for the presentation to go into some detail on a topic. You should present the issue in broad terms in the beginning of the presentation and then go into details and explanations. End with a conclusion. The criteria for grading presentations are as follows:

- Good introduction. Does it become clear from the outset what this presentation is about and what will be the parts?
- Sufficient detail.
- Connection between the parts presented by different members of the group. That means that it is necessary to get together and think over the structure of the presentation in order to avoid incomplete information or repetitions.

How to form groups

Find some time by tomorrow (Wednesday) 10:00AM to send me an e-mail with your top three choices for a topic from the list below. The assignment to groups will be on a first come – first serve basis. I will randomly assign students who do not send me an e-mail.

The effect of NAFTA on the Mexican economy
The role of the World Trade Organization
The economic future of the European Union
Transnational corporations – facts and trends
The roles of the International Monetary Fund and the World Bank
The 2001 economic crisis in Argentina
Economic prospects on the African continent
The history and prospects of the Japanese economy
Economic transition from communism – the case of Russia
Global environmental issues
Comparative health care systems (compare US with other countries)