

**Course:** Economics of Globalization

**Credit:** 4 Quarter Hours

**Method of Delivery:** eLearning

**Course Description:**

This course examines the phenomenon of globalization using economic and sociological analyses to explore controversial themes of the globalization debate, some of which include: off-shoring, economic development, international migration, sweatshops, transnational corporations, the Global South, and gender equity. We will examine both the benefits and costs that have resulted from the opening and crossing of international boundaries and borders and examine how these changes have impacted people from both rich and poor countries throughout the world.

**Prerequisite:** LSJ110: Introduction to Social Justice

**Text:**

*International Economics*, 9th Edition

Author(s): Kruger, Obstfeld, Melitz

Publisher: Prentice Hall

ISBN: 0132146657

**Materials Needed for this Course:**

Additional Supplies:

Hardware/Software and Equipment:

- Windows 2000 (XP recommended)
- Microsoft Word, PowerPoint and Excel 2003
- Java Software: Java Runtime Environment Version 5.0 Update 5 (<http://java.com/en/download/index.jsp>)
- Sound card
- Up-to-date virus protection
- Internet Access (DSL or Cable Modem preferred)
- Microsoft Internet Explorer 5.0 or higher preferred

**Topics:**

1. World Trade: An Overview
2. Labor Productivity and Comparative Advantage
3. Specific Factor and Income Distribution
4. The Standard Trade Model
5. Firms in the Global Economy: Export Decision, Outsourcing, and Multinational Enterprises
6. Instruments of Trade Policy
7. Political Economy of Trade Policy
8. Trade Policy in Developing Countries
9. Controversies in Trade Policy
10. International Monetary Systems: An Historical Overview
11. Financial Globalization: Opportunity and Crisis
12. Developing Countries: Growth, Crisis, and Reform

**Learning Objectives:** Upon completion of this course, the student will be able to:

1. Distinguish between international and domestic economic issues.
2. Describe how the share of international production that is traded has fluctuated over time and why there have been two ages of globalization.
3. Demonstrate gains from trade and refute common fallacies about international trade.

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Summer 2014

4. Recognize how changes in the terms of trade and economic growth affect the welfare of nations engaged in international trade.
5. Understand the effects of tariffs and subsidies on trade patterns and the welfare of trading nations and on the distribution of income within countries.
6. Describe how economic integration can lead to both winners and losers
7. Articulate arguments for free trade that go beyond the conventional gains
8. Evaluate the claims of the anti-globalization movement related to trade effects on workers, labor standards, and the environment in light of the counterarguments.
9. Explain how the goals of internal and external balance motivate economic policy makers in open economies.
10. Analyze problems in the regulation and supervision of international banks and nonbank financial institutions.
11. Describe the persistently unequal world distribution of income and the evidence on its causes.
12. Evaluate proposed measures to enhance poorer countries' gains from participation in the world capital market.

**Midstate Grading Scale:**

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

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In courses containing writing assignments, The College promotes the use of an electronic resource which compares the student's writing against previously submitted papers, journals, periodicals, books, and web pages. Students and Instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

**Student Success:**

The Office of Student Success is available to students seeking tutoring for individual classes or who need assistance with writing assignments. Information is also available on test taking techniques, how to take notes, developing good study skills, etc. Contact Chris Peck in Room 502 (in person); (309) 692-4092, extension 5023 (phone); [dcpeck@midstate.edu](mailto:dcpeck@midstate.edu) (email).

**Instructor:**

Name: Jamie Gladfelter  
E-mail: [jgladfelter@midstate.edu](mailto:jgladfelter@midstate.edu)  
Live Chat Hours: Wednesday 2 - 3 pm CST

**Policies and Procedures:** No late or make-up work is accepted after week 11. Late work will be accepted with a 10% penalty for each 24 hour period that it is late. Your attendance will be determined for each week by whether or not you made a post to the Discussion Forum.

Last Revised: April 2014  
Term: Summer 2014

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**Participation Requirements:** You are required to submit a summary of the material for each week to the appropriate drop box (i.e. Week #1 Summary Drop Box). This summary will help the instructor determine if you are learning the material. Each weekly summary is due at the end of the week. For details on the assignment, refer to the summary instructions, which are presented each week by the faculty member. Students are not expected to respond to a summary question on the weeks of the mid-term and final exam.

In addition, you are required to post to the Discussion Forum each week or you will lose participation points. If you are not participating, faculty will send you a private e-mail to determine if you want to drop the class.

**Examination Information:** a mid-term and final examination will be given in the course.

**Methods of Evaluating Student Performance:** Quizzes, summary questions, participation, a short paper, mid-term and final exams will be used to evaluate student performance. Please see the instructor's grading scale for the weight of each assignment.

**Term Paper:** As part of an effort to incorporate writing into the curriculum, you are required to write a 2-3 page paper on a topic relevant to the course material. This paper can be completed at any time in the term, but must be turned in by the end of Week 11. Details about the paper will be announced at a later date.

**Instructor's Grading Scale:**

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
0 - 59	F

Participation	50 points
Summary questions	50 points
Weekly Quizzes	100 points
Term Paper	50 points
Mid-term exam	100 points
Final exam	100 points

**Weekly Breakdown:**

	Summary	Participation	Quiz	Paper	Exams
Week 1	5	5	10		
Week 2	5	5	10		
Week 3	5	5	10		
Week 4	5	5	10		
Week 5	5	5	10		
Week 6					100
Week 7	5	5	10		

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Week 8	5	5	10		
Week 9	5	5	10		
Week 10	5	5	10		
Week 11	5	5	10	50	
Week 12					100
<b>Totals:</b>	<b>50</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>200</b>

## Week-by-Week Course Overview

**Note:** The instructor reserves the right to modify the syllabus at any time should that action be deemed necessary.

### WEEK 1:

#### Topics

- Chapter 1: World Trade: An Overview

#### Objectives

- Introduction to course.
- Begin familiarizing the student with the eLearning course format.
- Distinguish between international and domestic economic issues.

#### Assignments

1. Respond to the question in ECO 145 Week 1 Discussion Forum.
2. Take the Pre-Test Quiz. All students that take the quiz will receive 10 points for the "Quiz" grade for that week.
3. Read Chapter 1 in Krugman.
4. Submit your weekly summary to the ECO 145 Week 1 Summary Drop-Box.

### WEEK 2:

#### Topics

- Chapter 2: Labor Productivity and Comparative Advantage

#### Objectives

Upon completion of this week, the student will be able to:

- Describe how the share of international production that is traded has fluctuated over time and why there have been two ages of globalization.

### Assignments

1. The Week 2 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 2 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 2 Summary Drop-Box.
4. Read Chapter 2 in Krugman.

### WEEK 3:

#### Topics

- Chapter 3: Specific Factor and Income Distribution

#### Objectives

Upon completion of this week, the student will be able to:

- Demonstrate gains from trade and refute common fallacies about international trade.

### Assignments

1. The Week 3 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 3 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 3 Summary Drop-Box.
4. Read Chapter 3 in Krugman.

### WEEK 4:

#### Topics

- Chapter 6: The Standard Trade Model

#### Objectives

Upon completion of this week, the student will be able to:

- Recognize how changes in the terms of trade and economic growth affect the welfare of nations engaged in international trade.

- Understand the effects of tariffs and subsidies on trade patterns and the welfare of trading nations and on the distribution of income within countries.

### Assignments

1. The Week 4 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 4 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 4 Summary Drop-Box.
4. Read Chapter 6 in Krugman.

### WEEK 5:

#### Topics

- Chapter 8: Firms in the Global Economy: Export Decision, Outsourcing, and Multinational Enterprises

#### Objectives

Upon completion of this week, the student will be able to:

- Describe how economic integration can lead to both winners and losers among firms in the same industry.

### Assignments

1. The Week 5 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 5 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 5 Summary Drop-Box.
4. Read Chapter 8 in Krugman.

### WEEK 6:

#### Topics

- No assigned reading this week. The Midterm Exam covers all reading from Weeks 1-5.

### Assignments

1. Take the Midterm Exam posted in the ECO 145 Week 6 folder. The Exam will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. There are no Participation or Weekly Summary requirements for this week, although there will be a Discussion Forum you may use to post questions or concerns about the Midterm Exam.

## **WEEK 7:**

### **Topics**

- Chapter 9: Instruments of Trade Policy
- Chapter 10: Political Economy of Trade Policy

### **Objectives**

Upon completion of this week, the student will be able to:

- Articulate arguments for free trade that go beyond the conventional gains from trade.

### **Assignments**

1. The Week 7 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 7 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 7 Summary Drop-Box.
4. Read Chapters 9 & 10 in Krugman.

## **WEEK 8:**

### **Topics**

- Chapter 11: Trade Policy in Developing Countries
- Chapter 12: Controversies in Trade Policy

### **Objectives**

Upon completion of this week, the student will be able to:

- Evaluate the claims of the anti-globalization movement related to trade effects on workers, labor standards, and the environment in light of the counterarguments.

### **Assignments**

1. The Week 8 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 8 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 8 Summary Drop-Box.
4. Read Chapters 11 & 12 in Krugman.

## **WEEK 9**

### **Topics**

- Chapter 19: International Monetary Systems: An Historical Overview

### **Objectives**

Upon completion of this week, the student will be able to:

- Explain how the goals of internal and external balance motivate economic policy makers in open economies.

### **Assignments**

1. The Week 9 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 9 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 9 Summary Drop-Box.
4. Read Chapter 19 in Krugman.

## **WEEK 10:**

### **Topics**

- Chapter 21: Financial Globalization: Opportunity and Crisis

### **Objectives**

Upon completion of this week, the student will be able to:

- Analyze problems in the regulation and supervision of international banks and nonbank financial institutions.

### **Assignments**

1. The Week 10 quiz will be posted by noon on Day 1 and must be completed by midnight on Day 7



2. Respond to the question in ECO 145 Week 10 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 10 Summary Drop-Box.
4. Read Chapter 21 in Krugman.
5. Complete the eLearning instructor evaluation. The link to complete the evaluation will be posted in the ECO 145 Week 10 Folder.

## **WEEK 11:**

### **Topics**

- Chapter 22: Developing Countries: Growth, Crisis, and Reform

### **Objectives**

Upon completion of this week, the student will be able to:

- Describe the persistently unequal world distribution of income and the evidence on its causes.

### **Assignments**

1. The Week 11 quiz will be posted by noon on Day 1. The quiz is to be completed by midnight on Day 7.
2. Respond to the question in ECO 145 Week 11 Discussion Forum.
3. Submit your weekly summary to the ECO 145 Week 11 Summary Drop-Box.
4. Submit Term Paper if haven't already done so.
4. Read Chapter 22 in Krugman.

## **WEEK 12:**

### **Topics**

- No assigned reading this week.

### **Assignments**

1. Take the Final Exam posted in the ECO 145 Week 12 folder. The Exam will be posted by noon on Day 1 and must be completed by midnight on Day 7. There is no Discussion Forum or Weekly Summary for this week. Good luck!