

**Northern Marianas College**  
**CURRICULUM ACTION REQUEST**

**Effective Semester / Session:** Fall 2015

**Type of Action:**

- New
- Modification
- Move to Inactive (Stop Out)
- Cancellation

**Course Alpha and Number:** EC 300

**Course Title:** International Economics

**Reason for initiating, revising, or canceling:**

This course is a requirement in the Bachelor of Science in Business Management degree. Businesses today are operating in a globalized environment where global forces are greatly impacting the operations and ultimately the success or failure of the businesses. Businesses can no longer focus solely on domestic and local issues. They have to be aware and respond to the global and international development that will impact on their competitiveness. Business students need to have a good understanding of the global environment and in particular of international economics as they chart responses to the global competition. International Economics includes why countries trade, commercial trade policies and their effects, balance of payments and the economics of foreign exchange markets, and the operation and effects of fixed and flexible exchange rates.

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Chavel Green

Proposer



03/27/15

Date

Chavel Green

Department Chair

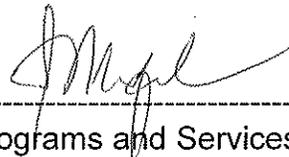


03/27/15

Date

Barbara K. Merfalen

Dean of Academic Programs and Services



4/6/15

Date

# Northern Marianas College

## Course Guide

Course: EC 300 International Economics

### 1. Department

Business

### 2. Purpose

Businesses today are operating in a globalized environment where global forces are impacting greatly on the operations and ultimately the success or failure of the businesses. No longer can businesses simply have their heads in the sand and focus solely on domestic and local issues. They have to be aware and respond to the global and international development that will impact on their competitiveness. Business students need to have a good understanding of the global environment and in particular of international economics as they chart responses to the global competition. International Economics includes why countries trade, commercial trade policies and their effects, balance of payments and the economics of foreign exchange markets, and the operation and effects of fixed and flexible exchange rates.

### 3. Description

#### A. Required/Recommended Textbook(s) and Related Materials

Required:

Krugman P., Obstfeld M. & Melitz M. @ 2015. *International-Economics: Theory and Policy*, 10<sup>th</sup> ed., Pearson-2015.

Readability Level: College Level

#### B. Contact Hours

1. **Lecture:** 3 hours per week / 45 hours per semester

2. **Lab:** None

3. **Other:** None

#### C. Credits

1. **Number:** 3

2. **Type:** Regular degree credits

#### D. Catalogue Course Description

This course provides an analysis of the economic relationships between countries, covering both trade and monetary issues. The first part of the course focuses on international trade theory and policy. The second half of the course considers international macroeconomic issues. This part of the course starts out with an overview of the balance of payment accounts and open economy income identities. The course then focuses on some of the key issues in open economy macroeconomics. Prerequisite: Must complete 60 credit hours to maintain junior level.

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Course: EC 300 International Economics

English Placement Level: EN 202. Math Placement Level: MA 161. (Offered: Fall).

## **E. Degree or Certificate Requirements Met by Course**

A "C" grade or better in this course satisfies a core course requirement in Northern Marianas College Bachelor of Science in Business Management.

## **F. Course Activities and Design**

Course activities include lecture, discussions, homework assignments, test, quizzes, and a final exam.

## **4. Course Prerequisite(s); Concurrent Course Enrollment; Required English/Mathematics Placement Level(s)**

Prerequisites: Must complete 60 credit hours to maintain junior level.  
English Placement Level: EN 202  
Math Placement Level: MA 161

## **5. Estimated Cost of Course; Instructional Resources Needed**

Cost to the College: Instructor's salary;

Cost to the Student: Tuition for a 3-credit hour course, Lab Fees and the cost of the textbook.

Instructional resources needed for this course include, overhead projector, TV/VCR, videotaped programs, library books, and dry-erase board.

## **6. Method of Evaluation**

Student's grades will be based on the regular letter grade system as described below:

A: Excellent-grade points:	4.0
B: Above average-grade points:	3.0
C: Average-grade points:	2.0
D: Below average-grade points:	1.0
F: Failure-grade points:	0.0

NMC's grading and attendance policies will be followed.

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## Course Guide

Course: EC 300 International Economics

### 7. Course Outline

This is a topical outline and does not necessarily indicate the sequence in which the material will be presented.

#### 1.0 Theories of Trade

- 1.1 Analyze world trade in merchandise and services
- 1.2 Explain economic interdependence
- 1.3 Compare and contrast the classical theories of trade with the neoclassical theories of trade

#### 2.0 Trade Policies

- 2.1 Evaluate the impact of trade policies on commodities and Countries
- 2.2 Distinguish between the traditional arguments for protection and the strategic trade policy theories
- 2.3 Assess the advantages and disadvantages of economic Integration

#### 3.0 Fundamentals of International Monetary Economics

- 3.1 Interpret a country's balance-of-payments statement
- 3.2 Interpret a country's statement of its net international investment Position
- 3.3 Examine the link between the foreign exchange rate and the interest rate
- 3.4 Compare and contrast the monetary and portfolio balance approaches to external balance

#### 4.0 Microeconomic Policy in the Open Economy

- 4.1 Discuss the challenges of carrying out economic policy in the open Economy
- 4.2 Analyze the effects of the exchange rate system on macroeconomic policy Actions
- 4.3 Distinguish between how monetary and fiscal policies influence national income under fixed and flexible exchange rate regimes
- 4.4 Distinguish between aggregate demand and supply in an open Economy and aggregate demand and supply in a closed economy
- 4.5 Examine the impact of exogenous shocks on the open economy operating under a flexible-rate system

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## Course Guide

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### 8. Instructional Goals

This course will introduce students to:

- 1.0 Different theoretical models of international economics in light of real world' situations;
- 2.0 The impact of the economies of regional integration and multilateral arrangements;
- 3.0 The characters and effect of globalization, including the globalization-growth-income poverty nexus;
- 4.0 The standard models to explain international trade;
- 5.0 Models that imperfect competition to explain trade;
- 6.0 The use and explanation and apply models of factor migration;
- 7.0 Economic models that evaluate government trade policies;
- 8.0 Models of exchange rate determination; and
- 9.0 Use a short run model of the exchange rate incorporating money;

### 9. Student Learning Outcomes

Upon successful completing of this course, students will be able to:

- 1.0 Understand the macroeconomic aspects of international trade and investment, foreign exchange markets and exchange rate determination;
- 2.0 Understand the international implications of macroeconomic policies and international lending;
- 3.0 Know the balance of payments accounts;
- 4.0 Understand the international financial environment and how it affects business decisions;
- 5.0 Know the main exchange rate regimes and their macroeconomic Implications; and
- 6.0 Understand the structure and operations of foreign exchange markets.

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## 10. Assessment Measures

Assessment of student learning may include, but not be limited to, the following:

- 1.0 Quizzes and Exams;
- 2.0 Peered Reviewed Case Studies;
- 3.0 Homework;
- 4.0 Research assignments;
- 5.0 Class Participation; and
- 6.0 Oral presentations.