FACULTAD DE CIENCIAS
ECONÓMICAS Y EMPRESARIALES

SUBJECT'S FACT SHEET

General information	
Name	International Trade and Investments
Code	0000002587
Degree	- Dual degree in Global Communication and International Relations (RICOM) - Dual degree in Law and International Relations (E5)
Year	Fourth year
ECTS credits	4,5
Character	Obligatory
Department	Economics
Teaching language	English
Description	A historical perspective on trends in international trade and investment. International trade: absolute and comparative advantages. The costs of protectionism. Exchange rates, interest rates and financial markets. Globalisation and trade. Global balances and imbalances. International investments: foreign direct investments, porfolio investments and emerging investors. Distribution patterns.

Teaching staff	
Lecturer/coordinator	
Name	Eszter Wirth
Department	Economics
Office and headquarters	To be determined shortly
e-mail	ewirth@comillas.edu
Phone	
Tutorship timetable	Appointments via email

SPECIFIC DATA ON THE SUBJECT

Contextualization

Contribution to the students' professional profile

International relations are impossible to analyse without an economic perspective. This subject is focused on the field of international economics, more specifically on relations established between countries and enterprises through trade and investment.

The subject is mainly based on understanding and interpreting the mechanisms and means that determine both variables. Throughout this course students should acquire autonomy in analysing international relations by understanding the main concepts and using rigorous data sources. The subject will focus on current issues (trade wars, Brexit, currency turbulences, investment settlement disputes, etc.)

Pre-requirements

Having studied the two previous subjects in the field of Economics:
Economic Approach to International Relations (1st year) and International Political Economy (3rd year).

THEMATIC BLOCKS AND CONTENTS

CONTENTS

Block 1: Introduction

Unit 1: What should a Bachelors' degree student know on international trade and investment?
Unit 2: Revision of basic economic concepts (GDP, business cycles, inflation, economic policy, unemployment…)

Block 2: International trade and exchange rates

Unit 1: Indicators on international trade
Unit 2: Advantages of international trade: the absolute and comparative advantage theories
Unit 3: Protectionism and economic policy
Unit 4: Economic integration

Block 3: Exchange rates, interest rates and global foreign exchange markets

Unit 1: Determinants of exchange rates

Unit 2: Business and exchange rate risk **Unit 3:** Exchange rate regimes and economic policy

Block 4: Balance of payments (BOP)
Unit 1: The balance of payments
1.1 Current account balance   1.2 Financial account balance
Unit 2: Exercises
Unit 3: Global imbalances

Block 5: International investments
Unit 1: Investments
1.1 Main concepts   1.2 The Ownership-Location-Internalisation (OLI) paradigm and Foreign Direct Investment (FDI)
Unit 2: Types of international investments

2.1 Empirical data on FDI
    2.2 Portfolio investments and financial crisis
    2.3 Emerging investors: sovereign wealth funds and venture capitalists

TEACHING METHODOLOGY

General methodologic aspects	
Classroom teaching: activities	**% Attendance**
1. **Exposition of lessons.** Exposition of the subject's contents by the lecturer in a clear, structured and motivating way. Complemented by audiovisual tools, such as slides, charts, websites, videos and quizzes.	**35**
2. **Practical activities and problem solving.** Students should continually read articles, watch videos or search in databases proposed by the lecturer in order to comment them in class. The main aim is the application of the theory to current affairs and real cases. They should also calculate some basic variables regarding	**25**

macroeconomics, trade and investments. Could be carried out during lectures or at home.	
3. **Individual and group assignments.** Reading articles and writing personal thoughts and critical assessment. Shorter assignments are individual, but the longest assignment will be carried out in groups (AF3).	**30**
4. **Individual study.** The students should study the contents of the subject exposed in class and establish interrelations between them with the aid of the reference materials suggested by the lecturer. The purpose is the development of the students' analytical and synthetic abilities.	**20**

GRADING CRITERIA

Graded activity	Criteria	Weight
Attendance and participation in class (SE3)	Attendance sheet will be distributed during each lesson. Students are required to attend at least 60% of the lectures. Those who do not, will get an "absent" mark and will have to sit the exam in June.	10%
Individual assignments at home (exercises and readings) and final task in groups (report on a country's economic performance) (SE4) (SE5)	To be handed in on paper. Use of vocabulary, mathematical formulas, data sources learnt in class. Accuracy. Meeting deadlines. Addition of own thoughts and opinions.	40%
Final exam (SE1)	Multiple choice questions and two or three longer exercises (commenting an article/chart, calculating some variables). Students should get at least 4 out of 10 in the final exam in order to pass the subject. If not, they will have to resit the exam in June/July.	50%

OTHER GRADING CRITERIA

The criteria stated above applies to students who regularly attend lectures and pass the final exam in December/January. For those who do not, they will have to (re)sit the exam in **June/July**.

- For those students who did not attend class on a regular basis the mark of the final exam will be their final mark, without considering the course assignments.

- For those students who did attend class on a regular basis and have handed in the assignments, but did not pass the exam in December/January, there are two options:
    o Resit the exam in June and if their mark is high, their exam mark will be their final mark
    o Resit the exam in June. If their exam mark is not very high, but they have performed well in class and their assignments were good, then the exam mark will weight 60% and the average of their assignments 40%.

WORK PLAN SUMMARY

Classroom and non-classroom activities	Frequency	Place
Cases and exercises	Each week or fortnight	In class
Final assignment	At the end of the semester	At home
Assignments and readings	Each 2-3 weeks	At home
Working hours by student		
CLASSROOM HOURS		
45		
NON-CLASSROOM HOURS		
50		

References
Textbooks

- International Economics: Theory and Policy (10th Edition). De Paul Krugman, Maurice Obstfeld y Marc Melitz. (2014).
- International Business. Competing in the Global Marketplace (8th edition). Charles W. L. Hill (2011).

The books are mere references complemented by slides and documents handed out by the lecturer or uploaded on Moodle, which will be the main materials to follow the course.

Articles

- Press articles: The Economist, Financial Times, Bloomberg, …
- Think-tank articles: The Council on Foreign Relations, Real Instituto Elcano, Politico...
- Youtube: CNBC, The Economist, BBC, Financial Times, Visualpolitik…

Data sources

- ECB: https://sdw.ecb.europa.eu/
- Eurostat: https://ec.europa.eu/eurostat
- OECD: https://data.oecd.org/
- Observatory of Economic Complexity: https://atlas.media.mit.edu/en/
- WTO: http://stat.wto.org/CountryProfile/WSDBCountryPFHome.aspx?Language=E
- Trading Economics: https://tradingeconomics.com/
- Statista: https://es.statista.com/
- World Bank: http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators

Notes

- Uploaded by the lecturer on Moodle.