



## COURSE SYLLABUS

### 1. Information about the program

1.1 Higher Education Institution	<b>Babeş-Bolyai University, Cluj-Napoca</b>
1.2 Faculty	<b>European Studies</b>
1.3 Department	<b>European Studies and Governance</b>
1.4 Field of study	<b>International Relations and European Studies</b>
1.5 Study level	<b>Bachelor</b>
1.6 Program of study/ Qualification	<b>International Relations and European Studies</b>

### 2. Information about the discipline

2.1 Module	<b>World Economics</b>						
2.2 Course holder	<b>Dr. Mircea Maniu, Associate Professor</b>						
2.3 Seminar holder	<b>Dr. Monica Burcă-Voicu, Lecturer</b>						
2.4 Year of study	<b>2</b>	2.5 Semester	<b>3</b>	2.6. Type of assessment <sup>1</sup>	<b>E</b>	2.7 Type of module <sup>2</sup>	<b>OB</b>

### 3. Total estimated time (teaching hours per semester)

3.1 No. of hours per week	<b>4</b>	3.1 of which for course	<b>2</b>	3.3 of which for seminar	<b>2</b>
3.4 Total no. of hours in the curriculum	<b>56</b>	3.5 of which for course	<b>28</b>	3.6 of which for seminar	<b>28</b>
Time distribution: <b>conventional hours 5X25 =125</b>					Hours
Study by using handbook, reader, bibliography and course notes					<b>30</b>
Additional library/specialized online research, field research					<b>28</b>
Preparation of seminars/laboratories, homework, projects, portfolios and essays					<b>14</b>
Tutoring					<b>10</b>
Examinations					<b>4</b>
Other activities: .....					<b>28</b>
3.7 Total no. of hours for individual study	<b>84</b>				
3.8 Total no. of hours per semester	<b>125</b>				
3.9 No. of ETCS credit points	<b>5</b>				

### 4. Prerequisites (where applicable)

4.1 of curriculum	•
4.2 of competencies	English

<sup>1</sup> E - exam, ME - multi-term examinations, C - collocutional examination/assessment test

<sup>2</sup> OB - core module, OP - elective module, F - extracurricular module

## 5. Conditions (where applicable)

5.1 For the development of the course	•
5.2 For the development of the seminar/laboratory	• Attendance 75%

## 6. Specific skills acquired

Professional skills	<p><b>Knowledge competencies:</b> Getting through World Economics concepts and economic theories as well as through the pattern individuals and firms are dealing with economic life. Understanding the role and tasks of both private and public entities in making operational the economy of a certain country, region or economic block. Being aware of the manner a government or an international institution would operate in designing economic policies. Observing the unfolding of links between international politics and economic flows.</p> <p><b>Applicative competencies:</b> Starting from the link necessities-resources, this class investigates the objective movements of the economy on the following layers: Basics of Microeconomics (property and firms, productive factors, their combination and the result as a production function, supply of goods and services, supply, cost, competition and prices); Macroeconomics in a world perspective (macro indicators, circular flow, international comparative framework of growth and development, equilibrium, crises and cyclical movements, inflation and unemployment, international trade and monetary flows, national and supranational economic policies, protectionism, monetary unions, world economic outlook and basics of forecasting).</p> <p><b>Attitude competencies:</b> Full comprehension of the economic and economic policies mechanisms as well as the abilities to understand economic situations and phenomena in order to build the ground for further deepening of economic and managerial knowledge (especially toward trade and international finance).</p>
Interdisciplinary skills	<p>This topic is grounded on both theoretical and for some chapters empirical sources of knowledge. Such a dual perspective on World Economics allows:</p> <ul style="list-style-type: none"> <li>• Creating a proper level of understanding of both micro and macroeconomic issues from an international perspective while debating the most appropriate policies in specific national frameworks.</li> <li>• Developing the student's abilities to "grasp" various business environments and link theories of economic and social life in a certain area to the daily realities of the economy in a specific country</li> <li>• Policy analysis and international case studies that reconfigure in a modeling manner the reality of the present day world economy. Allows an institutional approach of the economy, by observing the activity of relevant stakeholders, especially within the EU framework.</li> </ul> <p>The overall teaching and educational approach focuses on the capacity of the students to communicate between them and with the educational moderator and tests their capacity to react to the best of their abilities at various economic scenarios valid for the world economy. Group activity is highly encouraged. English is the only communicational vehicle used for this purpose.</p>

## 7. Course objectives (based on list of acquired skills)

7.1 General objective	• Making the student familiar with economic life in Romania, EU and the global economic environment
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	<ul style="list-style-type: none"> <li>Public information, as observed in the business environment, the political one as well as the administrative one are to be investigated and analyzed by the students. They are supposed to be able to conceive professional economic scripts micro, macro and world levels, under various constraints. Risk undertaking and international exposure are musts of this approach.</li> <li>Students are supposed to be able to build and aggregate their knowledge in a historical as well as a comparative framework. The emphasis would be obviously on the present day Romanian economic juncture and how it relates to the international context.</li> </ul>
7.2 Specific objectives	World Economics should allow students to decide whether the issue under scrutiny is of micro or macro consistence, whether the policy or governance scheme in a certain case and country is appropriate or not. Most topics have empirical reverberations and should develop not only knowledge of the kind but also specific international market oriented skills.

## 8. Contents

8.1 Course	Teaching methods	Observations
1. Introduction to Microeconomic concepts (the law of supply and demand, cost, price, and profit maximization, perfect and imperfect competition) The theory of economic sciences		All the classes begin with a 5 minutes assessment of the week's economic outlook, both domestic and international. Students are kindly asked to browse the topics of the following class in order to be able to interact with the teacher. Main points are presented at the beginning and then gradually developed. Class wrap-up consists in the review of the most important issues under scrutiny during that specific class. (Applicable to all classes) Mankiw, N.G., (2012), <i>Principles of Economics</i> , Sixth Edition, South-Western Cengage Learning, pp.65-106;
2. Introduction to Macroeconomic concepts National economy Comparative economic structures. Measurement of economic performances (macroeconomic indicators, economic growth, unemployment, inflation)		Mankiw, N.G., (2012), <i>Principles of Economics</i> , Sixth Edition, South-Western Cengage Learning, pp.491-508;
3. Globalization and Economic growth. Forecasting and economic crises.		Krugman, P., (2009), <i>The Return of Depression Economics and the Crisis of 2008</i> , W. W. Norton & Company;
4. Adam Smith – the absolute advantage David Ricardo – the comparative advantage		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 19 - 30 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 19 - 37
5. John Stuart Mill. Heckscher – Ohlin – Samuelson (HOS) theory and Leontieff Paradox		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 32 – 53 Salvatore, Dominick, <i>International economics</i> ,

		MacMillan, New York, 1990, 77 – 90; 112 - 124
6. International Trade: economies of scale, economic discrepancies and product lifecycle and intra-industry specialization		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 56 - 93 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 139 – 167
7. Multinational Enterprises, Foreign Direct Investments, Export Decisions and Outsourcing		Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i> , Ninth Edition, Addison-Wesley, Pearson, pp.155-191;
8. Economic growth and the international trade. International trade: dynamics, perspectives, controversies		Williamson, John, Milner, Chris, <i>The World Economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 329 - 354 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 171 - 192
9. Trade policy. Liberalization vs. protectionism, tendencies. International institutions		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 116 - 167 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 207 - 228
10. National Income Accounting and the Balance of Payments		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, 171 - 203 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 420 - 448
11. Money, the foreign exchange monetary market, exchanging rates and financial globalization		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 329 / 371 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 373 - 404
12. Global Macroeconomic policies.		Williamson, John, Milner, Chris, <i>The world economy</i> , Harvester Wheatsleaf, New York, 1991, pp. 308 - 430 Salvatore, Dominick, <i>International economics</i> , MacMillan, New York, 1990, pp. 451- 486
13. Case studies on: OECD, BRICS		Bluestone, Barry, Harrison, Bennet, <i>Growing Prosperity</i> , Houghton Mifflin, Boston, 2000, pp. 205 - 264
14. Conclusions		
Bibliography:		
<ol style="list-style-type: none"> <li>1. Mankiw, N.G., (2012), <i>Principles of Economics</i>, Sixth Edition, South-Western Cengage Learning;</li> <li>2. Krugman, P.R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson;</li> <li>3. Olivier Blanchard, <i>Macroeconomics</i>, Prentice Hall, New York, 1993</li> <li>4. James D. Gwarthney, Richard Stroup, <i>Economics: Private and Public Choice</i>, Academic Press, New York, 1980</li> <li>5. M. Lieberman, R. Hall, <i>Introduction to Economics</i>, South Western Publishing, Cincinnati, 2000.</li> <li>6. Colander, David C., <i>Economics</i>, Fifth Edition, Irwin McGraw-Hill Inc., Boston, 2006;</li> <li>7. Joseph E. Stiglitz, Carl E. Walsh, <i>Economie</i>, Ed. Economică, București, 2005.</li> <li>8. William McEachern, <i>Macroeconomics: A Contemporary Introduction</i>, Thomson, New York, 1997</li> <li>9. Overbeek, Johannes, <i>The Modern World Economy</i>, UPA, New York, London, 1993</li> </ol>		

8.2 Seminar / Laboratory	Teaching methods	Observations
<p>1. Introduction to Microeconomic concepts (the law of supply and demand, cost, price, and profit maximization, perfect and imperfect competition) The theory of economic sciences</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• O'Sullivan, A., Sheffrin, S.M., Perez, S.J., (2007), <i>Survey of Economics Principles and Tools</i>, Chapter 3. Demand, Supply, and Market Equilibrium, 3<sup>th</sup> Edition, Pearson, Prentice Hall, pp.48-47, retrieved at: [http://www.prenhall.com/behindthebook/0132447029/pdf/O'Sullivan_CH03.pdf], August 2013;</li> <li>• Krugman, P., Wells, R., (2010), <i>Economics</i>, Chapter 3. Supply and Demand, Princeton University, retrieved at: [http://worthpublishers.com/Catalog/Product.aspx?isbn=9780716771586&amp;tab=about&amp;feature=overview&amp;param1=ektron&amp;contentid=3986], August 2013;</li> </ul>
<p>2. Introduction to Macroeconomic concepts National economy and Comparative economic structures Measurement of economic performances (macroeconomic indicators, economic growth, unemployment, inflation)</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Mankiw, N.G., (2012), <i>Principles of Economics</i>, Sixth Edition, South-Western Cengage Learning, pp.491-508;</li> <li>• Eurostat, (2013), <i>Unemployment statistics</i>, retrieved at: [http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Unemployment_statistics], August 2013;</li> <li>• Eurostat, <i>Labour market and labour force statistics</i>, disponibil retrieved at: [http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Labour_market_and_labour_force_statistics], August 2013;</li> </ul>
<p>3. Globalization and Economic growth. Forecasting and economic crises.</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• UNCTAD, <i>Development and Globalization: Facts and Figures 2012</i>, retrieved at: [http://unctad.org/en/PublicationsLibrary/webgdsdsi2012d2_en.pdf], November 2014;</li> <li>• World Bank, (2010), <i>Globalization and Growth. Implications for a Post-Crisis World</i>, Michael Spence, Danny Leipziger Editors, Commission on Growth and Development, retrieved at: [https://openknowledge.worldbank.org/bitstream/handle/10986/2440/542530PUB0glob101Official0Use0Only1.pdf?sequence=1], November 2014;</li> <li>• The World Bank, (2013), <i>EU11 Regular Economic Report</i>, ISSUE 27, June 2013, retrieved at: [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2013/06/13/000350881_20130613080133/Rendered/PDF/783410REVISED0Box377338B00PUBLIC0.pdf], August 2013;</li> </ul>
<p>4. Adam Smith – the absolute advantage David Ricardo – the comparative advantage</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.24-78;</li> <li>• Overbeek, J., (1993), <i>The Modern World Economy. Theories and Policy</i>, University Press of America, Lanham, p.38 și 40-44;</li> <li>• Harrigan, J., (2003), Specialization and the volume of trade: Do the Data obey the Laws?, în <i>Handbook of International Trade</i>, Choi, E.K., Harrigan, J., eds. Blackwell Publishing, Oxford, Uk., p. 115;</li> </ul>

<p>5. John Stuart Mill Heckscher – Ohlin – Samuelson (HOS) theory Leontif Paradox</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.80-109;</li> <li>• Caliendo, Lorenzo, (2010), <i>On the Dynamics of the Hecksher-Ohlin Theory</i>, November 1, MFI Working Paper No. 2010-011, retrieved at: <a href="http://ssrn.com/abstract=1712074">http://ssrn.com/abstract=1712074</a> or <a href="http://dx.doi.org/10.2139/ssrn.1712074">http://dx.doi.org/10.2139/ssrn.1712074</a></li> </ul>
<p>6. International Trade: economies of scale, economic discrepancies and product lifecycle and intra-industry specialization</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.137-152;</li> </ul>
<p>7. Multinational Enterprises, Foreign Direct Investments, Export Decisions and Outsourcing</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.155-191;</li> <li>• Grossman, G. and E. Helpman. (2003), <i>Outsourcing in a Global Economy</i>, Review of Economic Studies, 72, pp.135–159, retrieved at: <a href="http://www.princeton.edu/~grossman/outsourcing.pdf">http://www.princeton.edu/~grossman/outsourcing.pdf</a></li> </ul>
<p>8. Economic growth and the international trade International trade: dynamics, perspectives, controversies</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• UNCTAD, (2012), <i>Evolution of the international trading system and its trends from a development perspective</i>, retrieved at: <a href="http://unctad.org/meetings/en/SessionalDocuments/tdb59d5_en.pdf">http://unctad.org/meetings/en/SessionalDocuments/tdb59d5_en.pdf</a>;</li> <li>• WTO, (2013), <i>International Trade Statistics 2013</i>, <a href="http://www.wto.org/english/res_e/statis_e/its2013_e/its2013_e.pdf">http://www.wto.org/english/res_e/statis_e/its2013_e/its2013_e.pdf</a></li> <li>• EC, (2009), <i>The Evolution Of Eu And Its Member States' Competitiveness In International Trade</i>, CEP II – CIREM ATCLASS consortium, retrieved at: <a href="http://trade.ec.europa.eu/doclib/docs/2009/march/tradoc_142475.pdf">http://trade.ec.europa.eu/doclib/docs/2009/march/tradoc_142475.pdf</a></li> <li>• Das, M., M. Roberts and J. Tybout. (2007), <i>Market Entry Costs, Producer Heterogeneity and Export Dynamics</i>, <i>Econometrica</i>, Vol. 75, No. 3 (May, 2007), 837–873, retrieved at: <a href="http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.153.5363&amp;rep=rep1&amp;type=pdf">http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.153.5363&amp;rep=rep1&amp;type=pdf</a></li> </ul>
<p>9. Trade policy. Liberalization vs. protectionism, tendencies International institutions</p>	<p>Presentation, explanation, text analysis, case studies</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.192-254;</li> <li>• Melitz, M., G. Ottaviano. (2008), <i>Market Size, Trade, and Productivity</i>, Review of Economic Studies, 75, pp. 295–316 retrieved at: <a href="http://scholar.harvard.edu/files/melitz/files/melot_restud_final.pdf">http://scholar.harvard.edu/files/melitz/files/melot_restud_final.pdf</a></li> <li>• WTO, <i>Globalization and trade</i>, retrieved at: <a href="http://www.wto.org/english/res_e/booksp_e/anrep_e/wtr08-2b_e.pdf">http://www.wto.org/english/res_e/booksp_e/anrep_e/wtr08-2b_e.pdf</a></li> </ul>
<p>10. National Income Accounting and the Balance of Payments</p>	<p>Presentation, explanation, text analysis,</p>	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.293-319;</li> </ul>

	case studies	
11. Money, the foreign exchange monetary market, exchanging rates and financial globalization	Presentation, explanation, text analysis, case studies	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.354-383;</li> </ul>
12. Global Macroeconomic policies Economic policies for growth and development	Presentation, explanation, text analysis, case studies	<ul style="list-style-type: none"> <li>• Krugman, P., R., Obstfeld M., Melitz, M., (2012), <i>International Economics: Theory and Policy</i>, Ninth Edition, Addison-Wesley, Pearson, pp.504-556;</li> <li>• Mankiw, N.G., (2012), Chapter 36. Six Debates over Macroeconomic Policy, in <i>Principles of Economics</i>, Sixth Edition, pp.811-829, South-Western Cengage Learning;</li> </ul>
13. Case studies: <ul style="list-style-type: none"> <li>• EU countries</li> <li>• Japan</li> <li>• China</li> <li>• Rusia</li> <li>• Brazil</li> </ul>	Presentation, explanation, text analysis, case studies	<ul style="list-style-type: none"> <li>• Solis, M., (2013), <i>Japan's Trade Policy in 2013: Possibilities and Pitfalls</i>, February 1, retrieved at: <a href="http://www.brookings.edu/research/opinions/2013/02/01-japan-trade-policy-solis">http://www.brookings.edu/research/opinions/2013/02/01-japan-trade-policy-solis</a></li> <li>• JiangYu Wang, (2007), The Evolution Of China's International Trade Policy: Development Through Protection And Liberalization, <i>Economic Development through World Trade</i>, Y.S. Lee, ed., pp. 191-213, The Netherlands: Kluwer Law International, retrieved at: <a href="http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1126206">http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1126206</a></li> <li>• Students semester paper presentation</li> </ul>
<ul style="list-style-type: none"> <li>• Conclusions and evaluation</li> </ul>	Presentation, explanation, text analysis, case studies	<ul style="list-style-type: none"> <li>• Students semester paper presentation</li> <li>• Short written evaluation – maximum 5 questions.</li> </ul>

#### Bibliography:

1. Mankiw, N.G., (2012), *Principles of Economics*, Sixth Edition, South-Western Cengage Learning;
2. Krugman, P.R., Obstfeld M., Melitz, M., (2012), *International Economics: Theory and Policy*, Ninth Edition, Addison-Wesley, Pearson;
3. Krugman, P., (2009), *The Return of Depression Economics and the Crisis of 2008*, W. W. Norton & Company;
4. Giancarlo Gandolfo, (2014), *International Trade Theory and Policy*, second edition, Springer;
5. Kerr, W.,A., Gaisford, J., G.(2007), *The Handbook of International Trade*, Edward Elgar;
6. McLaren, J., (2013), *Economic Analysis of Globalization and Policy*, Wiley;
7. Harrigan, J., (2003), Specialization and the volume of trade: Do the Data obey the Laws?, in *Handbook of International Trade*, Choi, E.K., Harrigan, J., eds. Blackwell Publishing, Oxford, UK.;
8. Overbeek, J., (1993), *The Modern World Economy. Theories and Policy*, University Press of America, Lanham;
9. Eurostat:[ <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>];
10. The Economist:[ <http://www.economist.com/>];
11. FastCompany Magazine:[ <http://www.fastcompany.com/>];
12. Harvard Business Review: [<http://hbr.org/search/economics/>];
13. Bloomberg BusinessWeek:[ <http://www.businessweek.com/>];
14. Forbes:[ <http://www.forbes.com/>];
15. Inc. Magazine:[ <http://www.inc.com/>];
16. Fortune Magazine:[ <http://money.cnn.com/magazines/fortune/>];

**9. The correspondence between the content of the course and the expectations of the academic community, professional associations and representative employers in the field:**

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**10. Assessment**

Type of activity	10.1 Assessment criteria	10.2 Assessment methods	10.3 Percentage of the final grade
10.4 Course		<b>Examination (Written)</b>	<b>70%</b>
10.5 Seminar/Laboratory		<b>Group work + individual assessment + seminar involvement</b>	<b>30%</b>
<b>10.6 Minimum standard of performance Grade 5 following written exam</b>			
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Date  
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Course holder signature  
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Seminar holder signature  
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Date of departmental approval  
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Head of department signature  
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