

School of Analytic Studies and Information Technology
Atkinson Faculty of Liberal and Professional Studies
York University
Winter 2007

AK/ECON 3473 – Section M
Economics of Free Trade Areas

INSTRUCTOR

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LECTURE HOURS AND LOCATION

Thursdays 7:00 - 10:00 p.m.; RS 205 (Ross Building – South, Rm. 205)

OFFICE HOURS

Thursdays 5:50 p.m. - 6:50 p.m., or by appointment

COURSE WEBPAGE

http://qed.econ.queensu.ca/pub/students/khans/ECON3473_Winter07.htm

The course outline, optional assignments, solutions to the optional assignments, solutions to the mid-term exam and other course related materials will be posted on the course webpage. Important announcements concerning the course will also be posted there.

COURSE DESCRIPTION

The course deals with issues pertaining to international economic integration. It studies the history and development of major trading blocs such as the European Union (EU), the North American Free Trade Agreement (NAFTA) and the Association for South East Asian Nations (ASEAN). It also examines the role of the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) in shaping global trading relations.

REQUIRED TEXT

R. Baldwin and C. Wyplosz (2006), *The Economics of European Integration*, 2nd ed., McGrawhill, ISBN 0077111192. [BW]

TEXTBOOK WEBSITE

www.mcgraw-hill.co.uk/textbooks/baldwinandwyplosz

SUPPLEMENTARY TEXTS

D. Salvatore (2005), *Introduction to International Economics*, Wiley, ISBN 0471202266. [S]

J. Gerber (2005), *International Economics*, 3rd Edition, Addison-Wesley, ISBN 032123796. [G]

D. Appleyard, A. Field and S. Cobb (2006), *International Economics*, 5th Edition, McGrawhill, ISBN 0072877375. [AFC]

EVALUATION

Optional Assignments	0%
Mid-term Test	25%
Final Exam	35%
One-page Project Proposal	5%
Group Project	25%
Project Presentation	5%
Class Participation	5%

Please note that there will be no make-up exams for the midterm test. If a student misses the midterm exam for medical reasons or other extenuating circumstances, the weight of midterm test will be added to his or her final exam.

The project paper must not exceed 15 pages including references, figures and tables (space=1.5, font size = 12). The project proposal must be limited to one page (space=1.5, font size = 12). The group size must be either 3 or 4. The project topic must be related to the course materials and has to be approved by the course instructor.

TIPS TO DO WELL IN THIS COURSE

- Attend all the lectures and actively participate in class. Studying just from the lectures slides, which will be posted on the course website, is not a substitute of attending lectures. Some of the materials covered during lectures will NOT be reflected in lecture slides. Feel free to ask as many questions as you want in the class. There is no ‘stupid question’ in my class.
- Read the textbook and other assigned readings between the lines and go through your lecture notes of the class. If you have any questions, ask me during my office hours.
- Do all the optional assignments. Assignments are meant for helping you understand the course materials and prepare you for the exams.
- Go through the solutions to all assignments and mid-term exam carefully. If you face any problems, feel free to stop by during my office hours.
- Start working on your project early in the term. Do not leave it for the last few days. Feel free to discuss with me while you choose your project topics and make progress through your projects.

COURSE OUTLINE, LECTURE PLANS AND IMPOARANT DATES

Date	Topic	Readings*/ Comments
Jan 4, 2007	Lecture 1: Introduction to international trade theories	G: Ch. 3 S: Ch 3 and 4 Case Studies
Jan 11, 2007	Lecture 2: Economic Integration: EU, NAFTA and other Economic Integration Units in the World	AFC: Ch 17 BW: Ch 1 Case Studies
Jan 18, 2007	Lecture 3: International Economic Institutions	G: Ch 2
Jan 25, 2007	Lecture 4: Microeconomic Tools for the Analysis of Economic Integration	BW: Ch 4 and 5
Feb 1, 2007	Lecture 5: Market Size, Scale and Growth Effects of Economic Integration	BW: Ch 6 and 7
Feb 1, 2007	Deadline for Submitting a One-page Project Proposal and the Names of Group Members	
Feb 8, 2007	Lecture 6: EU Agricultural and Regional Policy	BW: Ch 9 and 10
Feb 15, 2007	No lecture	Reading week (Feb 12-16)
Feb 22, 2007	MID-TERM EXAM	In Class Exam
March 1, 2007	Lecture 7: EU Competition and Trade Policy	BW: Ch 11 and 12
March 8, 2007	Lecture 8: Optimum Currency Areas and the European Monetary Union	BW: Ch 16 and 17
March 15, 2007	Lecture 9: EU Fiscal Policy	BW: Ch 18
March 22, 2007	Lecture 10: The Financial Markets and the Euro	BW: Ch 19
March 29, 2007	Group Project Presentation; Group Project Submission Deadline	The group project has to be submitted in class before presentation

* Additional reading materials will be assigned as we make progress through the course. Reading materials will be available for short-term borrowing from the Scott Library Reserve.