

TITLE OF THE COURSE:	International Trade and Finance
Course code:	EKM6006
Course group:	C
Faculty:	Faculty of Economics and Management
Study program:	International Economics
Level:	Master's
Semester:	Autumn
ECTS credits:	6
Language of instruction	English
Course lecturer/s:	Prof. Dr. Asta Vasiliauskaitė, lect. Monika Didžgalvytė
Short course description:	Course objective – is to give tools for analysis issues related to theories of international trade; political economy of protection; welfare analysis of trade policies; trade, growth and development; economics of regional integration and multilateral arrangements; international migration and labour markets; multinational corporations and foreign direct investments; the characteristics and effects of globalisation; foreign aid, economic development and the gap model; theories of international capital flows; growth-cum-debt model and debt sustainability; foreign exchange markets and exchange rate policies; macroeconomic models with capital flows; currency crisis models; theory of optimal currency area and monetary union; management of capital flows; dynamics of global financial crisis, issues of international governance and cooperation in managing financial flows.
Course content:	<ol style="list-style-type: none"> 1. Structure and development trends of the international economy. 2. Classic International Trade Models: Relative Benefit. 3. The theory of sourcing factors of production. 4. Tariff trade barriers. 5. Non-tariff trade barriers. 6. Regulation of trade. 7. Developing country trade policies and trade agreements. 8. International movement of production factors. 9. System of National Accounts and Balance of Payments Dynamics. 10. Foreign Exchange Market. 11. Money, interest rates and exchange rates. 12. Prices and exchange rates over the long term. 13. Production volumes and exchange rates in the short

	<p>term.</p> <p>14. Exchange rate systems: fixed or floating.</p> <p>15. Exchange rate systems: Optimal currency area.</p> <p>16. Financial globalization: opportunities and crises.</p>
<p><i>Grading and evaluating student work in class and/or at the final exam:</i></p>	<p>Colloquium – 30 %;</p> <p>Seminars and analysis of case studies – 20 %;</p> <p>Exam – 50 %.</p>
<p><i>Required reading and additional study material</i></p>	<p>1. 2009 Krugman, P. R., Obstfeld, M. International economics: theory and policy. Pearson Addison/Wesley</p> <p>2. 2007 Salvatore, D. International economics. John Wiley & Sons Inc.</p> <p>Supplementary literature</p> <p>3. 2000 Grimwade, N. International Trade: New Patterns of Trade, Production & Investments Edition: 2nd ed. Routledge</p> <p>4. 2013 Husted, S., Melvin, M. International Economics. Pearson</p> <p>5. 2009 Carbaugh, R. International Economics. South-Western Cengage Learning</p>
<p><i>Additional information (if applicable)</i></p>	