

# ***Global Economics***

*Programme:*  
***Master of Global Management***

***Part I***

- **Contents**
- **References**
- **Material**

<b><i>Global Economics</i></b>		Prof. Dr. Peter Schmidt
<b><i>Duration:</i></b> 30 contact hours		<b><i>Language:</i></b> English

Over the past decades, international transactions have become increasingly important to many world economies. This "internationalization" or "globalization" of world economies has occurred on all fronts - in the private and public sectors, in input and output markets, in businesses and in households. What was once uncommon is now common. Products produced elsewhere are now everywhere. Financial capital flows smoothly from one country to another. As such, all economies, regardless of their size, depend to some extent on other economies and are affected by events outside of their borders. Thus, an understanding of Global Economics is vital so that intelligent decisions concerning international issues, and how it might affect the domestic economy, can be based on economic, as opposed to emotional, reasoning. This module is an effort to introduce the student to various international issues facing all nations and to provide them with the economic tools to address these issues. A discussion of the critics and opponents of globalization will be included.

In addition Quantitative Research Methods will be repeated and discussed as useful tools in analysing and understand of international markets. We will apply these methods in applied case studies.

### **Contents:**

- Foundation of modern trade theory
  - historical development of modern trade
  - absolute and comparative advantage of trade
- International equilibrium
- Trade model extensions and applications
- Trade policies: tariffs
- Globalization and its critics
- Quantitative Research Methods

## Table of contents (Reader)

The World Economy, Siebert.....	1
Globalization, The Economist.....	12
Ten Principles of Economics, Mankiw.....	44
International Economics, Pugel.....	53
Chapter 2, The Basic Theory Using Demand and Supply.....	57
Chapter 3, Why Everybody Trades : Comparative Advantage.....	66
Chapter 4, Trade: Factor Availability and Factor.....	74
Chapter 8, Analysis of a Tariff.....	84
Chapter 9, Nontariff Barriers to Imports.....	95
Chapter 12, Trade Blocs and Trade Blocks.....	112
The new titans, The Economist.....	124
Globalization and its Discontents, Stiglitz.....	143
Preface.....	144
Chapter 1, The Promise of Global Institutions.....	149
Chapter 7, Better Roads to The Market.....	159
Chapter 8, The IMF's Other Agenda.....	166
Chapter 9, The Way Ahead.....	176
Fair trade for all, Stiglitz and Charlton.....	196
Preface.....	197
Glossary.....	198
Introduction.....	202
The World is Flat, Friedmann.....	207
One: While I Was Sleeping.....	210
Two: The Ten Forces That Flattened the World.....	234
Five: America and Free Trade.....	248
Essential Quantitative Methods for Business, M. and F., Oakshott.....	256
Chapter 12, Correlation and regression.....	257
Chapter 13, Time series analysis.....	270
Formulas Statistics, Schmidt.....	282

## References

- Bennett, R.:** „International Business“, 2<sup>nd</sup> Edition“, 1999
- Begg, D. and Ward, D.:** Economics for Business, 2<sup>nd</sup> Edition, 2007
- Carbaugh, R.J.:** „International Economics“, 10<sup>th</sup> Edition 2006
- Cleaver, T.:** Understanding the World Economy, 3<sup>rd</sup> Edition, 2007
- Daniels, P.W. and Lever, W.F. (Ed):** „The Global Economy in Transition“, 1996
- Friedman, T.L.:** “The World is Flat”, 2005
- German Bundestag:** “Globalization – Summary of the final report”, 2002
- Hill, C.W.L.:** “Global Business Today”, 6<sup>th</sup> Edition, 2009
- International Monetary Fund:** “Public Debt in Emerging Markets”, World Economic Outlook, September 2003
- Krugmann, P.R. and Obstfeld, M.:** „International Economics - Theory and Policy“, 8<sup>th</sup> Edition, 2008
- Mankiw, G. and Taylor, M.:** „Economics“, 2006
- Oakshott, L.:** “Essential Quantitative Methods for Business, Management and Finance”, 4<sup>nd</sup> Edition, 2009
- Pugel, T.A.:** “International Economics”, 15<sup>th</sup> Edition, 2009
- Salvatore, D.:** “International Economics”, 9<sup>th</sup> Edition, 2007
- Sampson, G.P. (Ed.):** „The Role of the World Trade Organization in Global Governance“, 2001
- Samuelson, P. and Nordhaus:** „Economics“, 19<sup>th</sup> Edition, 2009
- Siebert, H.:** „The World Economy“, 3<sup>rd</sup> Edition, 2007
- Sloman, J.:** Economics, 7<sup>th</sup> Edition, 2009
- Stiglitz, J.E. and Charlton, A.:** Fair Trade For All, 2005
- Stiglitz:** „Globalization and its discontents“, 2003
- The Economist:** „Globalization and its critics - A survey of globalization, The Economist, September 29<sup>th</sup>, 2001
- The Economist:** “The new titans”, 2006