



Course and Examination Fact Sheet: Spring Semester 2025

4,304: International Economics

ECTS credits: 4

Overview examination/s

(binding regulations see below)

central - Written examination, Analog, Individual work individual grade (100%, 90 mins.)

Examination time: Lecture-free period

Attached courses

Timetable -- Language -- Lecturer

[4,304,1.00 International Economics](#) -- English -- [Caprettini Bruno](#)

[4,304,2.00 International Economics: Exercises](#) -- English -- [Barraza Costoya Sebastian Enrique](#)

Course information

Course prerequisites

Students must have taken Macro 1 and Micro 1. They are expected to understand:

- basic macro- and microeconomic principles (firm production and supply, consumer demand);
- standard output of regression analysis (Ordinary Least Squares);
- simple algebra.

Learning objectives

The course aims at introducing students to the main questions in international economics: why countries trade, what are the consequences of trade and trade policies, how exchange rates are determined and how monetary policy operates in an open economy. To do so, it will guide students through simple formal models and show them how they can help us interpret some current events.

The objective of the course is to equip students with enough formal training to (a) understand with and (b) respond to the economist in the room.

Course content

Globalization has been a key theme of the twentieth and twenty-first century. Both technological progress and the reduction of political barriers have caused international trade, migration and capital flows to reach unprecedented levels. In order to understand the causes as well as the consequences of this development, we need a set of theoretical models. This course aims at providing bachelor students with a solid understanding of these models and their relevance for today's events.

The first part deals with trade in goods and covers three topics. First, we look at determinants of trade: who trades what with whom. Second, we study how government can affect trade with policies (tariffs, quotas, subsidies etc.) and how this affect a country's welfare. Third, we look at how international agreements shape trade both in the past and today.

The second part deals with trade in assets, and also covers three topics. First, we study the origins and consequences of cross-country capital flows. Second, we look in depth at the impact of monetary policy in an open economy, with special attention to its effects on exchange rates and price levels. Third, we look at what happens when a country decides to give up her currency and join a Monetary Union.

Course structure and indications of the learning and teaching design



There will be one lecture per week throughout the Spring semester (unless the university is closed on the day of the class). Sebastian Barraza will teach 6 exercise sessions.

Course literature

Main textbook:

Krugman, Paul R., Maurice Obstfeld, and Marc J. Melitz (2017). "International Economics Theory and Policy", 11th edition, Global Edition, Pearson, Essex, England. Free electronic version available via the HSG Library.

Further readings:

- Feenstra, Robert C. and Alan M. Taylor (2011). "International Economics", 2nd edition, Worth Publishers, New York, United States
- Baldwin, Richard, and Charles Wyplosz. The Economics of European Integration 7e. McGraw Hill, 2022.
- Obstfeld & Rogoff "Foundations of International Macroeconomics." Chapter 1.

Additional readings taken from recent articles may be provided during the course.

Additional course information

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Examination information

Examination sub part/s

1. Examination sub part (1/1)

Examination modalities

Examination type	Written examination
Responsible for organisation	central
Examination form	Written exam
Examination mode	Analog
Time of examination	Lecture-free period
Examination execution	Synchronous
Examination location	On Campus
Grading type	Individual work individual grade
Weighting	100%
Duration	90 mins.

Examination languages

Question language: English
Answer language: English

Remark

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Examination-aid rule

Closed Book



The use of aids is prohibited as a matter of principle, with the exception of pocket calculator models of the Texas Instruments TI-30 series and, in case of non-language exams, bilingual dictionaries without any handwritten notes. Any other aids that are admissible must be explicitly listed by faculty members in the paragraph entitled "Supplementary aids" of the course and examination fact sheet; this list is exhaustive.

Procuring any aids, as well as ensuring their working order, is the exclusive responsibility of students.

Supplementary aids

Pen, paper and analog calculator. No mobiles.

Examination content

The final exam will be centralized. The exam will cover all topics studied in the lectures and exercise classes, including trade in goods, comparative advantage, intra-industry trade, the instruments of trade, international trade organizations, capital and people flows, exchange rates and international macro. The exam counts 100% of the final grade.

Examination relevant literature

- Krugman, Paul R., Maurice Obstfeld, and Marc J. Melitz (2017). "International Economics Theory and Policy", 11th edition, Global Edition, Pearson, Essex, England. Free electronic version available via the HSG Library.

- Feenstra, Robert and Alan M. Taylor "International Economics." Third Edition. Copies available at the HSG library.

- Slides distributed through Canvas until the end of the lecture period.

Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 13 (Monday, 25 March 2025) are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 23 January 2025);
- Examination information (supplementary aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 17 March 2025);
- Examination information (supplementary aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 14 (Monday, 31 March 2025);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before ending with de-registration period in CW 15 (Monday, 07 April 2025).

