

## Economic Globalisation (F000751)

**Course size** *(nominal values; actual values may depend on programme)*

**Credits 6.0**

**Study time 180 h**

**Course offerings and teaching methods in academic year 2024-2025**

A (semester 2)

English

Gent

independent work  
lecture

**Lecturers in academic year 2024-2025**

Standaert, Samuel

EB21

lecturer-in-charge

**Offered in the following programmes in 2024-2025**

	<b>crdts</b>	<b>offering</b>
Bachelor of Science in Business Administration	6	A
Master of Science in Teaching in Economics(main subject Business Economics)	6	A
Master of Science in Teaching in Social Sciences(main subject Political Science)	6	A
Master of Science in Business Economics (main subject Accountancy)	6	A
Master of Science in Business Economics (Double Degree)(main subject Accountancy)	6	A
Master of Arts in Oriental Languages and Cultures(main subject China)	6	A
Master of Science in Business Economics (Double Degree)(main subject Corporate Finance)	6	A
Master of Science in Business Economics (main subject Corporate Finance )	6	A
Master of Arts in Oriental Languages and Cultures(main subject India)	6	A
Master of Science in Political Science(main subject International Politics)	6	A
Master of Arts in Oriental Languages and Cultures(main subject Japan)	6	A
Master of Science in Business Economics (Double Degree)(main subject Marketing)	6	A
Master of Science in Business Economics (main subject Marketing)	6	A
Master of Arts in Oriental Languages and Cultures(main subject Middle East Studies)	6	A
Master of Arts in Global Studies	5	A
Master of Arts in Global Studies	5	A
Master of Science in Complementary Studies in Economics	6	A
Exchange Programme Global Studies and World Societies	6	A
Exchange programme in Economics and Business Administration	6	A
Exchange Programme in Political and Social Sciences	6	A
Elective Set Economics	6	A

**Teaching languages**

English

**Keywords**

International trade, investment and migration; international trade policy; regional integration; world economy; World Trade Organisation

**Position of the course**

In this course we try to answer to important questions. First, what explains international economic relations between countries? Second, how can countries maximize the gains from international relations? What happens when countries actively intervene? The first question is dealt with in the parts 'Theory of international trade', 'Foreign Direct Investment and Multinational Corporations' and 'Determinants of international migration'. The second question is traditionally the subject of 'international trade policy'. The course Economic Globalisation is considered a basic course, which should make students familiar with the

'traditional' theory of international trade, the basics of 'modern' trade theory, theories of foreign direct investment and international migration, international trade policy, regional economic integration and the role of the World Trade Organisation.

## Contents

The course will cover the following aspects:

### 1. International trade theory

- Motives for international trade:
  - Mercantilism (explanation of ideas and proof of principal mistake, including modern illustrations)
  - Comparative advantage (differences in technology and factor endowments as sources for international trade, the Heckscher-Ohlinmodel)
  - Scale economies, product differentiation and competition-effects as motives for international trade (the "new" trade theory)
- The welfare and income distribution implications of international trade
- International trade and economic development

### 2. Foreign direct investments and multinationals

### 3. International migration

### 4. International trade policy

- Policy instruments (tariffs, subsidies and quota) and the effective rate of protection
- Gains and losses of tariff and non-tariff barriers to trade for a small and large economy
- Domestic goals and market imperfections (a.o. infant industry protection) and the influence of lobby groups

### 5. Regional economic integration

### 6. The international trade institutions: WTO/GATT and UNCTAD

## Initial competences

To take part in this course students should have obtained credits for a course in economics that covers the most important macro- and microeconomic principles or they should have acquired these competences in another way.

## Final competences

- 1 The ability to understand the inter- and intra-industry trade flows, foreign direct investment and international migration
- 2 Being able to interpret public discussions regarding trade liberalisation (based on an assessment of the welfare implications of the instruments of trade intervention)
- 3 Evaluating the arguments pro and contra protectionism (trade interventions)
- 4 Understanding the principles and functioning of the WTO and interpreting current trade policy disputes

## Conditions for credit contract

Access to this course unit via a credit contract is unrestricted: the student takes into consideration the conditions mentioned in 'Starting Competences'

## Conditions for exam contract

Access to this course unit via an exam contract is unrestricted

## Teaching methods

Lecture, Independent work

## Extra information on the teaching methods

This course aims to impart the basic principles of the international economy, hence mainly in the form of ex-cathedra lectures, though with lively didactics by framing the different theories on the basis of critical policy questions and with systematic illustrations based on practical examples, which also gives students the opportunity to pick up on (current) events.

## Study material

Type: Slides

Name: PPT used during the classes  
Indicative price: Free or paid by faculty  
Optional: no  
Language : English  
Available on Ufora : Yes

Type: Audiovisual Material

Name: recorded classes  
Indicative price: Free or paid by faculty  
Optional: no  
Language : English  
Available on Ufora : Yes

## References

- McLaren, International Trade
- Appleyard and Field, International Economics

## Course content-related study coaching

Course-related and relevant information and subject-specific guidance additional to the lectures is offered by lecturer and assistants. On Minerva, students can find the lecture slides as well as topical study material. Finally, via the same route, one can find an overview of questions and answers concerning the study material that were posed by fellow students and interesting events linked to the topic of economic globalisation.

## Assessment moments

end-of-term assessment

## Examination methods in case of periodic assessment during the first examination period

Written assessment

## Examination methods in case of periodic assessment during the second examination period

Written assessment

## Examination methods in case of permanent assessment

## Possibilities of retake in case of permanent assessment

not applicable

## Extra information on the examination methods

Written exam that tests the understanding of the concepts, relations and structures concerning the international economy through a conceptually insightful exposition of the treated matter.

## Calculation of the examination mark

End-of-term evaluation (100%)