

Identification	Subject (code, title, credits)	ECON 480 International Economics - 3KU credits (6ECTS)	
	Department	Economics and Management	
	Program (undergraduate, graduate)	Undergraduate	
	Term	Fall, 2026	
	Instructor	Abdul Baghi Nabiyevev	
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	Classroom/hours		
	Office hours	By appointment	
Prerequisites	ECON 205 Macroeconomics		
Language	English		
Compulsory/Elective	Compulsory		
Required textbooks and course materials	Core textbook: International Economics: Theory and Policy, Global Edition, 12th Edition by Paul Krugman, Maurice Obstfeld, and Marc Melitz, 2022		
Course website	N/A		
Course outline	This course introduces the main theories and policies of international economics, covering trade, comparative advantage, factor endowments, economies of scale, trade policy, exchange rates, balance of payments, and open-economy macroeconomics. Emphasis is placed on economic intuition, graphical analysis, mathematical reasoning, and applying theoretical models to real-world international economic issues.		
Course objectives	By the end of the course, students should be able to: • Explain the benefits of international trade and specialization. • Apply key trade models to comparative advantage, factor endowments, and gains from trade. • Analyze trade’s distributional and welfare effects. • Explain economies of scale, imperfect competition, and trade protection. • Analyze the balance of payments and international financial transactions. • Explain exchange-rate determination and purchasing power parity. • Analyze the relationship between money, interest rates, output, and exchange rates. • Evaluate monetary and fiscal policies under different exchange-rate regimes. • Apply international economic models to current global and national issues.		
Learning outcomes	By the end of the course, students will be able to: • Explain the key principles of international trade and specialization. • Apply major trade models to analyze comparative advantage, trade patterns, and gains from trade. • Analyze the welfare and distributional effects of trade policies. • Explain exchange-rate determination and balance of payments. • Analyze the interaction between interest rates, money, output, and exchange rates. • Evaluate monetary and fiscal policies in an open economy. • Apply international economic models to real-world economic issues and policy decisions.		
Teaching methods	Lecture		x
	Group discussion		x
	Experiential exercise		x
	Case analysis		x
	Project		x

Evaluation	Methods	Description and deadline	Percentage (%)
	Midterm Exam	TBA	30
	Attendance		5
	Activity		5
	Quiz	6 th week	5
	Project	15 th week	15
	Final Exam	TBA	40
	Total		100
Policy	The quiz: There will be a quiz throughout the course. The quiz might be made of multiple-choice questions, true/false questions, and short open questions. The questions will cover the subjects learned until each preceding class. Project: Students will be divided into teams based on the total class enrollment. Each team will select one topic from the course syllabus, or a topic assigned by the instructor, and apply the relevant international economic concepts and analytical frameworks to a country of their choice. Teams will present their project at 10-12 minutes in the presentation session. The following criteria are taken into account during the assessment: 1. Full coverage of the topic in a 6-8 pages article (10 points) 2. Good demonstration of knowledge gained during the presentation (5 points) Attendance: Students exceeding the 25% absence limit without valid excuses will not be allowed to take the final exam. Activity/Attendance: Activity is defined as engaging actively, which includes posing questions, providing answers, contributing insights and feedback, and displaying both willingness and dedication to participating in the broader class discussion. Use of AI: Generative AI tools may be used for learning, research, idea generation, and language editing. Students are responsible for the accuracy, originality, and integrity of their submitted work. AI use is not permitted during exams, quizzes, or in-class assessments unless explicitly authorized. Any use of AI in assignments must be disclosed. Presenting AI-generated work as one's own constitutes a violation of academic integrity		

Tentative Schedule			
Wee k	Date/Day (tentative)	Topics	Textbook/Assignments
1		Introduction, globalization & analytical framework	Chapter 1 and 2, Krugman
2		Labor Productivity and Comparative Advantage: The Ricardian Model	Chapter 3, Krugman
3		Specific Factors and Income Distribution	Chapter 4, Krugman
4		Resources and Trade: The Heckscher-Ohlin Model	Chapter 5, Krugman
5		The Standard Trade Model	Chapter 6, Krugman
6		External Economies of Scale and the International Location of Production	Chapter 7, Krugman
7		The Instruments of Trade Policy	Chapter 9, Krugman
8		<u>MIDTERM EXAM</u>	
9		The Political Economy of Trade Policy	Chapter 10, Krugman
10		National Income Accounting and the Balance of Payments	Chapter 13, Krugman
11		Money, Interest Rates, and Exchange Rates	Chapter 14 and 15, Krugman
12		Price Levels and the Exchange Rate in the Long Run	Chapter 16, Krugman
13		Output and the Exchange Rate in the Short Run	Chapter 17, Krugman
14		Fixed Exchange Rates and Foreign Exchange Intervention	Chapter 18, Krugman
15		Project- Student presentations	
16		<u>FINAL EXAM</u>	