

Syllabus: Economics of Global Business

ECON-UB.0011 | Fall 2023

Revised: September 1, 2023

About the Course

The Economics of Global Business is an intermediate level course in macroeconomics, with particular attention on international economics. The goal of this course is to provide a coherent framework for analyzing international macroeconomic events (e.g. long-run economic growth, the rise of globalization, recessions, and booms) and macroeconomic policies (e.g. monetary, fiscal, trade, and currency policy).

About the Instructor

Professor Pricila Maziero

Email: pricila.maziero@stern.nyu.edu

Office: KMC 7-68

Office hours: Wednesdays, 10:30-11:30am (via Zoom, see Zoom tab at brightspace)

Where and When

Tuesday and Thursday, 2:00PM- 3:15PM

Location TISC UC-50

Prerequisites

Course pre-requisite: ECON-UB.0001 Microeconomics or ECON-UB.0002 Microeconomics.

Course Material

- **Slides.** The lectures will be accompanied with slides. These provide access to the core of the material we will cover. Versions of these slides will be available in the class website.
- **Textbook.** There is one required text book: [Macroeconomics](#) by N. Gregory Mankiw. The 11th edition is the most recent version, but previous editions are cheaper and work just as well. These books should be available for purchase at the NYU Bookstore and other outlets (e.g. Amazon).

The publisher offers eBook and loose-leaf options, which are cheaper than the standard paper copy. I will not use the Achieve Essentials option for this course.

- **My Blog for the Course.** On BrightSpace, I operate a blog for the course. This is an area for me to (1) communicate with you about current events/economic news and how

they fit in with the class material and (2) discuss more nuanced issues related to class material. On this blog, there are also opportunities for you to participate in the discussion. You should follow this forum regularly.

- **Lecture notes.** For the modules focusing on international issues (trade and finance), I will provide notes written by myself. The notes will be posted online on the class website.
- **Economic News.** Aside from the regular course material, students are expected to follow current economic events. While no subscription to any particular newspaper or journal is required, you should regularly read any of the following: The FT, Wall Street Journal, The Economist.

Help

There are times when everyone needs a little help. If that happens to you, please let me know. My office hours are Wednesdays, 10:30-11:30am. I will hold office hours via Zoom (link at Zoom tab on the website). If you cannot attend the regular office hours, send me an email and we can schedule an alternate time. If you would like to discuss any personal issue related to the course in person, send me an email and we can schedule a time to meet.

During day time on weekdays, I generally answer email (pricila.maziero@stern.nyu.edu) quickly. During evenings and weekends, you should expect that my response will be less prompt. My official policy is that I reserve the right to get back to you within 48 hours. If I don't, feel free to email me again.

There are two teaching fellows associated with the course. They will hold regular office hours during the week (via zoom).

Teaching Fellows

Santiago Ortiz

Email: so2133@stern.nyu.edu

Office hours: Tuesdays, 6:00-7:00 pm

Hannah Wang

Email: hannah.wang@stern.nyu.edu

Office hours: Thursdays 4:00-5:00 pm

TFs hold Office Hours remotely, via Zoom (link at Zoom tab at the course website).

Grades

Your grade will be based on:

Participation	5%
Online Quizzes	12.5%
Problem Sets	12.5%
Midterm # 1	20%
Midterm # 2	20%
Final	30%

- **Class attendance, participation, professionalism.** Professionals show up and are prepared—this is my expectation of you.

You should come to class prepared to discuss assigned topics and current issues of the day. Your thoughtful participation makes the course more interesting and productive for everyone, including me. You can excel in this area if you come to class on time and contribute to the course by:

- Listening attentively in class and volunteering to address questions.
- Providing evidence of having reviewed what done in previous classes.
- Demonstrating interest in your peers' comments and questions.
- Advancing the discussion by contributing insightful comments and questions.
- Following the guide for professional behavior described below.

Attendance will be taken 7 times during the semester (during random lectures) and 2 absences are allowed. Attendance will be taken via [iClicker](#). Please create an account with iClicker using your nyu.edu email and join the class [here](#). P.S. you do not need a paid iClicker subscription. See more details on iClicker [here](#).

- **Online Quizzes.** On the class website, I will post online quizzes to be taken. They will be short multiple choice type quizzes, they will occur at about a week and a half intervals, and you will have multiple days to complete them at your leisure. **If the online quizzes are not completed within the given time period, then you will receive a zero and there are no make up opportunities.** The due dates for the quizzes will be always at a class date, at 2pm. You will not be able to submit your quiz after the due date (and time). The lowest quiz grade will be dropped when computing your grade.
- **Problem Sets.** In the problem sets you will be asked to compute numerical examples similar to ones we have covered in class, find and analyze data, and use the principles we are studying to analyze and comment on various issues.

For problem sets, students may work in groups (no larger than 4 students). All students in the group receive the same grade. Submit one problem set per group.

Problem sets are graded as “check,” “check plus,” or “check minus.” Problem sets scored check or check plus earn full credit. Problem sets graded check minus earn between 0 and

60%. The problems sets will be posted under “Assignments ” and you must submit it as an assignment by the deadline. The due dates for the Problem Sets will be always at a class date, at 2pm. You will not be able to submit your problem set after the due date (and time). Problem sets submitted by email are not accepted. **Late problem sets are not accepted.**

- **Exams.** There will be two in-class midterm exam. The midterm exams will be on:
 - **Midterm # 1: October 12.**
 - **Midterm # 2: November 14.**

The **Final** exam will take place during the [University specified](#) time during final's week. The final exam is schedule for **December 19, 8:00-9:50pm.**

All the exams will be administered in-person, there is no option of an online exam.

- **Examination-Make-up Test Policy: There are no make ups.**

If you miss one of the midterm exams for an excused reason and provide sufficient evidence, your final score will be counted instead of the missed midterm exam. If you miss a midterm exam for any other reason you will receive a zero. If a student misses both midterm exams for an excused reason, the student will receive an incomplete and must take a make up exam in the earliest possible semester.

If for a justified reason you miss the final exam, you will receive an incomplete, which has to be removed in the earliest possible semester.
- **Re-grading requests.** The process of assigning grades is time consuming and much effort is put into the grading of exams to yield scores that are an unbiased evaluation of your performance.

Students are encouraged to respect the integrity and authority of my grading system and are discouraged from pursuing arbitrary challenges to it.

If you believe an inadvertent error has been made in grading, a request to have the grade re-evaluated may be submitted. You must submit such requests in writing to me within 7 days of receiving the grade, including a clear statement as to why you believe that an error in grading has been made. There will be an automatic regrade of the entire exam.

You will have a chance to review your final exam in the first week of classes on the following semester.

BrightSpace

Virtually everything you need for this course will be posted on BrightSpace: notes, assignments, slides, and links to information sources. Some online documents, including this one, have links to outside sources that may not be apparent in the printed version.

Professional Behavior

In the interest of having a high-quality experience for all, your classmates and I ask that you:

- Arrive to class on time and stay to the end of the class period. Chronically arriving late or leaving class early is unprofessional and disruptive to the entire class.
- Put away your laptop, mobile phone, tablet etc. I strongly prefer that you do not use your laptops in class as I receive many complaints every year from other students that find such laptop use disruptive.
- Eating or drinking in class is not allowed.
- Be respectful to myself, the teaching fellow, and your classmates.
- Join your classmates. Avoid the last row. Be Engaged!

Grades Distribution

At NYU Stern we seek to teach challenging courses that allow students to demonstrate their mastery of the subject matter. In general, students in undergraduate core courses can expect a grading distribution where:

- 25-35% of students can expect to receive A's for excellent work
- 50-60% of students can expect to receive B's for good or very good work
- 5-10% of students can expect to receive C's or less for adequate or below work

Note that while the School uses these ranges as a guide, the actual distribution for this course and your own grade will depend upon how well you actually perform in this course.

Stern Policies

- **General Behavior.** The School expects that students will conduct themselves with respect and professionalism toward faculty, students, and others present in class and will follow the rules laid down by the instructor for classroom behavior. Students who fail to do so may be asked to leave the classroom.
- **Collaboration on Graded Assignments.** Students may not work together on any assignments or exams unless the instructor gives express permission.
- **Course Evaluations.** Course evaluations are important to us and to students who come after you. Please complete them thoughtfully.
- **Recording Classes.** At any time, classes may be recorded for educational purposes.

- **Academic Integrity.**

- Integrity is critical to the learning process and to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to:
- Exercise integrity in all aspects of one's academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage.
- Clearly acknowledge the work and efforts of others when submitting written work as one's own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced.
- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student [Code of Conduct](#) applies to all students enrolled in Stern courses. Discussion of this code of conduct and its application to the undergraduate college is [here](#).

Students with disabilities

If you have a qualified disability and will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Henry and Lucy Moses Center for Students with Disabilities ([CSD](#), 998-4980) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.

Absences

If you are unable to attend classes in person temporarily, you must communicate to the instructor via email. You should be able to follow the class materials posted on Brightspace and you are expected to submit (via Brightspace) all the assignments that are due during your absence.

In the event that the course needs to be offered entirely online for a particular class meeting, we will meet synchronously at the standard class time using Zoom. Additional instructions about particular details of class meetings or work will be emailed to you in the event of a shift to online instruction.

Detailed course outline | Spring 2023

Revised: September 1, 2023

This is the tentative class schedule and is subject to changes. **The dates of the exams are NOT subject to change.** See schedule with dates on class website.

Part I: Economy in the Long Run

1. Overview and introduction
Reading: Mankiw, *Macroeconomics, 10th Ed.*, Ch. 1
2. Measurement of GDP. Real vs. Nominal. Measuring labor market performance.
Reading: Mankiw, Ch. 2
3. The aggregate production function and national income
Reading: Mankiw, Ch. 3.1-3.2
4. Marginal Products and Factor Prices
Reading: Mankiw, Ch. 3.1-3.2
5. Discussion on Supply Side
Reading: Mankiw, Ch. 3
6. Demand Side of National Income I/II
Reading: Mankiw, Ch. 3.3-3.4
7. Demand Side of National Income II/II
Reading: Mankiw, Ch. 3.3-3.4
8. Using the production function to understand growth
Reading: Mankiw, Ch. 8.1-8.2
9. Understanding economic growth
Reading: Mankiw, Ch. 8.1-8.2
10. Review Midterm 1
11. Midterm Exam 1

Part II: Trade

12. Intro to Trade. Trade and technology—the Ricardian Model.
Reading: Notes on Ricardian Model
13. Ricardian Model
Reading: Notes on Ricardian Model
14. Ricardian Model
Reading: Notes on Ricardian Model
15. Firms in International Trade I/II
Reading: Notes on Monopolist Competition Model
16. Firms in International Trade II/II
Reading: Notes on Monopolist Competition Model
17. US Trade Policy
18. Trade Imbalances and Capital Flows
Reading: Mankiw, Ch. 6.1-6.2
Trade Imbalances and Capital Flows
Reading: Mankiw, Ch. 6.1-6.2
19. Review Midterm 2
20. Midterm Exam 2

Part III: Inflation and Economy in the Short Run

21. Inflation and Money, Money and Banking
Reading: Mankiw, Ch. 5
22. Money and Banking, Inflation
Reading: Mankiw, Ch. 5
23. Aggregate Demand and Supply Supply
Reading: Mankiw, Ch. 10
24. AS/AD + Monetary Policy
Reading: Mankiw, Ch. 10
25. AS/AD + Monetary Policy
Reading: Mankiw, Ch. 10

26. Intro to Exchange Rates; Goods Trade, Asset Trade
Reading: Mankiw, Ch. 6.3
27. Goods Trade, Asset Trade.
28. Fixed Exchange Rates. Financial Crisis.

Final Exam: December 19 - 8:00-9:50pm
(As scheduled by registrar)