

## **SYLLABUS, ECO 6716**

**FALL 2020**

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### *COVID-19*

Before we get to the typical part of the syllabus, I really feel the need to talk a bit about how the class may be held. I am writing this syllabus in the mid-July. At the present, all I know is that at least the first session, scheduled for July 26, will (almost surely) be held online. I do not know what is planned for the subsequent sessions but, if you force me to guess, I will guess that due to the rebound in COVID-19, they also will be online. But all we can really do is to wait for the MBA administrators to make their decision. I can be honest here because I expect NO administrator to read this syllabus. So, in all honesty I think the decision they make will be an excellent one. I am very impressed with their abilities.

So, let me go back to the July 26 class. I have the morning slot for this session. I have arranged to have the class recorded here in Gainesville during the scheduled time bloc. This means that you should be able to stream the class and watch it as it is recorded. Of course, if you do not want to be awake at 8:30 for an economics lecture (©!!!), the recorded lectures will be on the class web page for the entire semester. For those that are streaming the lecture, I will have my laptop with me and it will be open to my email. So if you have a question, you can simply email it to me. You **MUST** email me directly at [mark.rush@warrington.ufl.edu](mailto:mark.rush@warrington.ufl.edu) For annoying, obscure technical reasons, I cannot get email sent to by using the email within Canvas. We will start with a guess speaker, Mr. Jamie Kraft, who will talk about The Big Idea, a business plan competition run out of the Warrington College of Business. Then we will get to my lectures. What I will try to do with my lectures is to “chunk” them. That is, I will try to keep the lectures in chunks of less than 20 to 25 minutes. This means that if you are streaming the lecture live, I’ll be taking 2 to 3 minute breaks between the chunks, during which time the lectures will be named and sent to the class web page. When lecturing live, I typically give “10” minute breaks about every 50 minutes or so. I put the 10 in quotes because I would tell the class that I fully realize the breaks actually would wind up around 20 minutes and this fact did not disturb me. But what this means for our lectures is that I expect to be done a bit before 12:40, which is when our time slot is scheduled to end.

The next class session I have scheduled is all day September 12 and 13. This all-day Rushathon is not my idea; Prof. Hill has something scheduled for that weekend, so he took over my sessions in August and I get his in September. If these lectures and the other

lectures on Oct 3, 4, and 31 are also going to be held online, with one change I expect to conduct them similarly to what I outlined above. The one change is that I hope to have a guest speaker, probably on the Oct 4 lecture. If I can work this out, I expect she may zoom her talk. But we'll see how this shakes out as the time draws nearer. And now, back to the normal syllabus.

### *Required Texts*

We are semi-using a semi-decent book: Marthinsen, *Managing in a Global Economy*, 2e. Now I think reasonable questions are why I said we are "semi-using" and "semi-decent". Let me answer the second question first. Contrary to its name, this book is very close to being an economics textbook rather than a managerial book. Obviously I am prone to like the book because I am an economist. But for this course I am pretending that I am not totally an economist because I think you do not need or even want a course in pure economics. That said, however, I will cover material that will give you a strong foundation for understanding international economics because I believe this sort of background is very useful in helping categorize and shape your thinking about international business. Now to answer the first question, we are semi using the book because I do not think you must buy the book. So, what do I think about the book and, if you purchase it, its use? I do not like the presentation of some of the topics and I also think that in many places the book is longer and more detailed than is necessary. I recognize that the details can be really important if some issue is of particular interest, so if that is case for you, the book will prove valuable. In addition, some of the material covered is not useful for our class and some of the subjects I want to cover are not included. So in a very real sense what is important will be my lectures and your notes. What this means is that if you will miss a class, make sure that a classmate gives you a copy of his or her notes. But I think the book provides useful backup and alternative explanations of what I will cover in the lectures. Near the back of this syllabus is a list of what to read in the book. I do NOT want you to spend too much time reading unnecessary material. So

**IF YOU BUY THE BOOK, MAKE CERTAIN YOU CONSULT THE  
READING LIST BEFORE YOU START TO READ THE BOOK.**

### *Class Goal*

My over-riding objective for this class is to talk about international economics *and* international business. My over-riding goal is to make this class useful. I am highly interested in whether or not I succeeded in attaining this objective and this goal.

This will be the fifth time I have taught this course. The other times, on the final exam I asked the students what material they thought was the most useful. I told them that they would credit for the question no matter what they said as long as they told me what they thought was most important. (Incidentally, the fact that I did this for my other classes is

perhaps a strong indicator that I may well be doing it for this class. Oh wait a minute—that's you!). I was both very surprised and also very pleased when the topic that got the most "votes" from the first class was the economics. So I re-ordered and re-adjusted the course to put the economics first and emphasize it more. Since then the other classes have also "voted" economics as the most useful. I'm no longer totally surprised but, I will admit, it still puzzles and pleases me a bit.

### *Class Web Page*

Plan on becoming acquainted with the class web page. In fact, plan on not only becoming acquainted, plan on it becoming almost your best friend! To get to the class web page, go to <http://lss.at.ufl.edu> and login to E-Learning with your Gatorlink username and password.

### *Class Web Page Problems*

Will everything work out correctly so that you get to the class web page with no problems? Perhaps. Perhaps also I shall exercise and lose 15 pounds this semester, as well as eat a plethora of healthy leafy green vegetables. Now, you can't do anything about my exercising or dining habits. But if you encounter an error in trying to access either the class web page or the lectures, here is a valuable link for you:

[http://notes.cba.ufl.edu/cbahelp.nsf/request\\_grad?OpenForm](http://notes.cba.ufl.edu/cbahelp.nsf/request_grad?OpenForm)

<http://warrington.ufl.edu/itsp/techservices/students.asp>

What is this link? It is a link to the TAC...aka "Technology Assistance Center." I cannot help with any of the technical issues. But the computer technicians can help—and the feedback I get from the students is that they are a *lot* of help! So, if you have a problem, DO NOT email me. Every semester I have students email me about a problem. All they are doing is to 1) admit that they haven't bothered to read this syllabus, which surely does not endear them to me, and 2) delay resolution of their problem because I can do nothing. So, rather than email me, use the link I've given you to ask the people who know what to do for help. Indeed, I've bookmarked the link—I suggest you do likewise! In other words: SAVE THIS LINK. IT IS USEFUL!!

### *Material Covered in Class*

Look at the last page for the schedule. The last page has the tentative schedule for the class. Each time I have taught this class, I got behind and never caught up. I felt bad about both times. The students did not. And ... well, in truth, neither did I because I was behind since the students were asking good questions.

## *Guest Speaker*

I have one guest speaker definitely lined up (Mr. Jamie Kraft, who will talk about a business plan competition fun out of the Warrington Business College) and, as I said above, I am working on arranging another guest speaker for the class. She has talked to all the classes I have taught in the SFMBA program and all the classes really enjoyed her presentation ... maybe because it was her and not me speaking... ☺ However, in truth I also really like her presentation because I think she covers really practical material about importing products (her industry is cut flowers). So, you definitely want to join me in hoping she can attend.

## *Assignments*

Your grade will be based on two factors: a Group Project and a Final Exam. I am trying to accomplish two goals with the group project. The first goal is to not kill you with the project. I presume it would be really bad form to have a bunch of my students dropping dead from the workload in my class. The second goal, however, is to allow you to really make use of what you have learned so far in the program. So, let me describe what the project entails:

### **Group Project**

Your team will be responsible for creating a business plan. What I have in mind is that you all work for the same company and your superiors in this company have assigned your group as a team to brainstorm a new international project. They want a report from your group suggesting a nation and a product or products that your company can profitably sell in this nation. This assignment is total “blue sky.” You can select an actual business or make one up. You have to use your creativity and what you have learned in your courses to convince me that your plan will be profitable. In order to judge whether your proposal will be profitable, you must give me some economic data and background for the country. You have to tell me how you plan to market and produce the product, that is, establish a partnership with a local firm or whatever. (If you do plan on establishing a partnership, you do not need to research which firm you want as your partner, though if you do that would be good.) Tell me why you selected this method of marketing/production. You could present options about how you might market/produce the product and tell me what might lead you to favor one over the others. Presumably you may have some ideas of how to advertise the product—what are they? You might estimate some cost data and the price range for which you will sell the product. You could include a spreadsheet...or not. It’s your choice. When this report is due, the class will be rapidly drawing to a close. I certainly do *not* want your last memories of the class to be a series of 3 AM nights spent hard at work researching a project. So keep this report to no more than 15 to 20 pages long. That way you will not have memories of being up until 3 AM creating the report nor will I have memories of being up until 3 AM grading it. Which reminds me,

I also expect the report will not be written in a tiny, 4 point font with incredibly small margins. ☺ The due date for the report is Sunday, October 4 so please hand (or, maybe more realistically, email me a copy) on that day.

### Grading of the Project

The grading scale for the project will be 1 to 70. But I really plan on grading most projects 65 or higher. (If anyone gets anything lower than a 60, I grieve for the trees and/or electrons that were used to create the project.) The grade will be based on the answers and on the writing of the report. Speaking with business people, I have come to the conclusion that clear and grammatically correct writing is highly valued by them. Hence it shall be equally highly valued by me. The group project is due by the weekend indicated in the schedule. I will accept late projects but the score will be lowered by 3 points per day, down to a minimum of 0. (That is, I am not so cruel as to give any group a -5 as a grade....) I have asked another instructor here at UF to help me grade these projects. Hopefully she will agree. My plan is that she and I will grade them separately. Then she and I will meet to discuss out assessments of the projects. From this meeting I will determine the final grade. And for sure you will get some feedback from me.

### Final Exam

A final exam will be given on the last meeting. It will consist of multiple choice, short answer, and longer answer questions. Is the final going to a challenging endeavor, the last 50 foot hurdle you must clear before you move to the next semester? If it is, both you and I will be surprised! The final exam will be 1 hour and, aside from congratulations, will be the only thing we do on the last day. The final will be worth 70 points.

### Grades

In summary here are the possible points:

Group projects	70 points
Final exam	<u>70 points</u>
Total	140 points

I wish I was completely unconstrained in my grading scale but the MBA program applies a crucial and important limitation: The average grade in the class can be no higher than a 3.50, which means the average grade must be between an A- and a B+. So, keeping that in mind, I plan to assign the top 25% of the class A's, the second 25% A-'s, the third 25% B+'s, and the bottom 25% B's. If someone does significantly poorer than the remainder of the class, I *will* give lower grades, such as a C. Of course, in that case, I can boost other students' grades. So, let me ask: Does anyone want to volunteer to get a low grade so that some other well deserving students can have their grades boosted?

# ***Managing in a Global Economy 2e***

## Pages to read

**July 26**

### ***Topic 1: International Trade***

None

**September 12, 13**

### ***Topic 2: Macroeconomics***

#### **Chapter 1**

Read pages 1 to 5

#### **Chapter 2**

All of the chapter EXCEPT

- Skip Circular Flow Diagram, pages 18 to 21
- Skip page 26 to top of 27
- Skip from bottom of page 29 to end of chapter

#### **Chapter 4**

- Read pages 85 to 91
- Read pages 98 to the top of 101
- Read pages 103 to 114

#### **Chapter 5**

- Optional; read what interests you

#### **Chapter 3**

All of the chapter EXCEPT

- Skip from bottom of page 68 to end of chapter

#### **Chapter 12**

All of the chapter EXCEPT

- Skip from page 381 to end

#### **Chapter 13**

All of the chapter EXCEPT

- Skip from page 427 to end

## **Chapter 11**

All of the chapter EXCEPT

- Skip Macro Memo page 316
- Skip page 318 to halfway down 319
- Skip page 341 to end of chapter
- IGNORE all “risk free” comments

## **Chapter 6**

All of the chapter EXCEPT

- Skip pages 146 to 148, “Why Do Nations Measure Their Money Supplies?”

## **Chapter 7**

- Optional; read if you work in the financial sector or want to work in it

## **Chapter 8**

- Optional; read if you work in the financial sector or want to work in it

## **Chapter 9**

- Read pages 231 to 237
- Read Appendices 9-1, 9-2, 9-3 (Optional: 9-4, 9-5)

## ***Topic 3: Open Economy Macroeconomics***

## **Chapter 16**

All of the chapter EXCEPT

- Ignore the “above the line/below the line” comments on pages 536-537

## **October 3, 4**

## **Chapter 14**

All of the chapter EXCEPT

- Skim pages 461 to 464

## **Chapter 15**

- Read pages 477 to 478
- Read pages 486 to end of chapter

## ***If time, Topic 4: Foreign Corrupt Practices Act (FCPA)***

None

**Tentative Course Schedule**

**ECO 6716**

General topic	Event
<b>Meeting 1 (July 26)</b> <b>Business Plan</b> <b>International Trade</b>	Jamie Kraft will teleconference about “The Big Idea” business plan competition
<b>Meetings 2 and 3 (September 12, 13)</b> <b>International Trade</b> <b>Macroeconomics</b> <b>Open Economy Macroeconomics</b>	(All day)
<b>Meetings 4 and 5 (October 3, 4)</b> <b>Open Economy Macroeconomics</b> <b>FCPA, (Institutions and Laws?)</b>	Project due on Oct 4 Speaker (?)
<b>Meeting 6 (October 31)</b>	Exam