Laurea / B.A.
in Global Governance

Academic Year 2025-2026
Syllabus
Global International Economics
9 CFU
1st Module: Prof Paolo Paesani (3 CFU)
2nd Module: Prof. Prof Lorenzo Pecchi (6 CFU)

Course Description

The Course is divided into two Modules (Introduction to International Economics and International Economics).

The first module provides students with an overview of the economic and financial links between a country and the world economy, using the balance of payments and the Keynesian income-expenditure model in an open economy as a reference.

In the second module, we start by the evidence that grasping globalization requires us to understand what the determinants of international trade are, and how production is organized across national boundaries. In the first part of the course, we study the models of foreign trade that were developed in the XIX and XX centuries (Ricardo, Heckscher and Ohlin) together with the "new" trade models which emphasize economies of scale, monopolistic competition, and the role of multinational firms. We will examine who benefits and who loses from trade and the welfare effects of various trade policies.

In the second part of the module, we study the financial aspects of foreign trade: the determinants of the foreign exchange markets in the short and in long run, the determinants of output and FX in the short run, and the various international monetary systems which have appeared in the last two centuries with a final focus on the European Monetary Union.

International Economics, an introduction
(1st Module)

Pre-requisites

There are no formal prerequisites.

Schedule of Topics

Topic 1	The nation and the world economy
Topic 2	Balance of payments, international investment position and the FOREX market
Topic 3	The Keynesian open economy model and its balance of payment implications

Duration, Timetable and Period of the Course

The course consists of 21 hours of lessons (on 3 topics), check the timetable. Students are asked to always be present at lessons in order to avoid delays and repetitions.

WEEK 1

Lecture 1: Course introduction

Lecture 2: International trade and international investment indicators

Lecture 3: Introduction to the balance of payments

WEEK 2

Lecture 4: The balance of payment: current account, capital account, financial account

Lecture 5: From the balance of payments to the international investment position

Lecture 6: Fundamentals about foreign exchange rates

WEEK 3

Lecture 7: Introduction to the forex market

Lecture 8: The Keynesian open economy model

Lecture9: Impact of fiscal and monetary policy on the balance of payments

WEEK 4

Lecture 10: Conclusion

Teaching Method

Lectures will make use of oral presentations. Analysis will also be presented at the board, and used for open discussion. Interaction between teacher and student will be encouraged.

The same rules apply to attending and non-attending students.

Textbook and Materials

The Economy. CORE Project (selected chapters). https://core-econ.org/the-economy/?lang=en

Lecture material handed over on line.

Course assessment

The verification of learning takes place exclusively through a final examination which consists of a written exam. The exam consists of three open questions (same weight, 1/3 of final mark) plus a bonus question.

The objective of the final examination is to verify the achievement of the course learning outcome. In particular, the examination assesses the student's overall preparation, ability to integrate knowledge of the different parts of the programme, consequentiality of reasoning, analytical ability and autonomy of judgement. In addition, language skills and clarity of exposition are assessed, in adherence with the Dublin descriptors.

Non attending students and students who do not take or fail the mid-term will take a written exam at the end of the course.

Minimum score for passing the written test 18 out of 30.

Students may take the examination on all available dates. there is no roll-call jump.

The examination will be assessed according to the following criteria:

FAIL: important deficiencies and/or inaccuracies in the knowledge and understanding of the topics; limited ability to analyse and synthesise, frequent generalisations and limited critical and judgemental skills, the topics are set out inconsistently and with inappropriate language;

18-20: Barely sufficient knowledge and understanding of the topics with possible generalisations and imperfections; sufficient capacity for analysis, synthesis and autonomy of judgement, the topics are frequently exposed in an incoherent manner and with inappropriate/technical language;

21-23: Routine knowledge and understanding of topics; ability to analyse and synthesise correctly with sufficiently coherent logical argumentation and appropriate/technical language

24-26: Fair knowledge and understanding of the topics; Good analytical and synthetic skills with arguments expressed in a rigorous manner but with language that is not always appropriate/technical.

27-29: Comprehensive knowledge and understanding of the topics; considerable capacity for analysis and synthesis. Good autonomy of judgement. Arguments presented in a rigorous manner and with appropriate/technical language

30-30L: Excellent level of knowledge and thorough understanding of topics. Excellent analytical and synthetic skills and independent judgement. Arguments expressed in an original manner and with appropriate technical language.

International Economics
(2nd Module)

Schedule of Topics

Topic 1	**World Trade Overview**
Topic 2	The Ricardian Model
Topic 3	The Specific Factors Model
Topic 4	The Heckscher-Ohlin Model
Topic 5	The Standard Trade Model
Topic 6	External Economies of scale and Monopolistic Competition
Topic 7	International Trade policies
Topic 8	Determination of FX in the Short-run and in the Long-run
Topic 9	Output and Exchange rate in the short run
Topic 10	Alternative International Monetary System: An Historical Overview
Topic 11	Optimal Currency Area and the European Experience
Topic 12	Financial Globalization: Opportunity or Crisis?

Textbook and Materials

The reference book of the course is *International Economics: Theory and Policy* by Krugman-Obstfeld-Melitz which cover all the above topics. I also recommend students to read *Understanding Global Trade* by E. Helpman which using a minimum of technical terms presents the most recent theoretical and empirical developments in international economics. A more policy-oriented book, which I encourage to read is *The Globalization Paradox: Democracy and the Future of the World Economy* by D. Rodrik.

Assessment

Module I (Prof. Paesani) counts for 1/3 of the course grade.

Module II (Prof. Pecchi) counts for 2/3 of the course grade.

Module 2. Student assessment is based on group homework and an individual final written exam. Homework accounts for 30% of the final grade, and the exam for 70%. If the final exam grade is higher than the weighted average, the final exam grade will take precedence. Students who have attended fewer than 15 two-hour lectures will be assessed solely on the final exam.

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Office hours

By appointment: paolo.paesani@uniroma2.it . You can usually talk to the teacher after class.

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NOTE: If you are an Erasmus or a non Global Governance student who would like to attend one or more courses in the Global Governance programme, please be aware that, before enrolling in the course, you should have read the code of conduct and the procedural rules characterizing our programme. We assume that, if you enroll in the course, you have read and accepted all Global Governance values and rules. Notice that attendance is expected from the very first lesson and you need to attend at least 80% of the course to be considered an attending student.

Description of the methods and criteria for testing learning

The examination assesses the student's overall preparation, ability to integrate the knowledge of the different parts of the programme, consequentiality of reasoning, analytical ability and autonomy of judgement. In addition, language property and clarity of presentation are assessed, in accordance with the Dublin descriptors (1. knowledge and understanding; 2. applying knowledge and understanding; 3. making judgements; 4. learning skills; 5. communication skills).

The final grade will be related 70% to the degree of knowledge and 30% to the expressive capacity (written and oral) and autonomous critical judgement demonstrated by the student.

The examination will be graded according to the following criteria:

Unsuitable: important deficiencies and/or inaccuracies in the knowledge and understanding of the topics; limited capacity for analysis and synthesis, frequent generalisations and limited critical and judgement skills; the topics are exposed in an incoherent manner and with inappropriate language.

18-20: barely sufficient knowledge and understanding of the topics, with possible generalisations and imperfections; sufficient capacity for analysis, synthesis and autonomy of judgement; the topics are frequently exposed in an inconsistent manner and with inappropriate/technical language;

21-23: surface knowledge and understanding of the topics; ability to analyse and synthesise correctly with sufficiently coherent logical argumentation and appropriate/technical language.

24-26: fair knowledge and understanding of the topics; good analytical and synthetic skills with rigorously expressed arguments but not always appropriate/technical language.

27-29: complete knowledge and understanding of the topics; considerable capacity for analysis and synthesis. Good autonomy of judgement. Arguments presented in a rigorous manner and with appropriate/technical language.

30-30L: very good level of knowledge and thorough understanding of topics. Excellent analytical and synthetic skills and independent judgement. Arguments expressed in an original manner and in appropriate technical language.