



Undergraduate programmes

Syllabus

International Economics 3

Module Code: IE301
Credits: 20
IMM GSM: Year Level: 3
NQF Level: 7
Nature: Core
Status: Undergraduate

Module Specific Outcome/s

Understand the importance and structure of a country's balance of payments in evaluating market potential.
 Describe the workings of foreign exchange markets and the influences on the international exchange rate of a country's currency.
 Explain the international monetary system as it is today and how it has evolved.
 Discuss the role of the International Monetary Fund and the World Bank Group.
 Explain the relationship between economic growth and economic development, and the role of export-led growth.

Description of Units

Unit	Description	Learning Outcomes
1	Overview of the balance of payments	Define the purpose of the balance of payments. Describe the system of accounts in the balance of payments. Determine the link between economic development and the balance of payments Interpret balance of payment data.
2	Foreign exchange and the balance of payments	Explain what is meant by balance of payment disequilibria and how they can be adjusted. Discuss how the foreign exchange market operates in relation to the supply of and demand for foreign exchange. Differentiate between different exchange rate systems and discuss the advantages and disadvantages of each. Understand the influence of currency movements on the international competitiveness of products.
3	International monetary system	Define an international monetary system and describe its attributes. Explain the gold standard and why it collapsed. Discuss the origins and operations of the Bretton Woods system and why it collapsed.
4	International financial institutions	Discuss the International Monetary Fund and World Bank. Discuss developments in the international monetary system subsequent to 1973. Understand in broad terms the impact of the international economy on South Africa's financial system in recent years.
5	Principles of economic development	Differentiate between economic growth and economic development. List the objectives of economic growth. Discuss the theories on economic growth. Understand the factors that affect a country's level of economic development.
6	Problems of economic development in poor countries	Discuss alternative economic development strategies. Discuss South Africa's position in the context of First and Third World economic development efforts.