

International Finance
ECON 4810 /Section 003
Spring term 2018 - Syllabus

Dr. Hernan Ocampo S.
Visiting Assistant professor
Class meets: T and R. 2:30- 3:45pm
ADL center 106
Office hours: 11:00am – 12:00pm
T, R
Place: Office V-57 in AYSPS building.
e-mail: hocampo@gsu.edu

Prerequisites: ECON 2105 Principles of Macroeconomics

Catalogue Description:

This course is a study of the foreign exchange market, the balance of payments, exchange-rate systems with emphasis on the current international monetary system, the international macroeconomic model, and policies for internal and external balance.

Course Objectives:

To develop a comprehensible understanding of how the international finance system works and the forces that affect its various components especially the exchange rates. To develop a holistic approach in analyzing financial crisis and other international situations in which flow of investments and goods are involved and in doing so the student will be able to build a framework for the understanding and analysis of international financial events.

Method of Instruction:

ECON 4810 is taught through a combination of lecture, discussion, homework and examinations. Class interaction allows the students to discover the strengths and weaknesses of alternative policy recommendations.

Course materials required:

Textbook:

International Economics, 4th edition, by Robert C. Feenstra and Alan M. Taylor, publisher, Worth Publishers, McMillan Learning. New York.

Course Learning Outcomes:

The student should be able to:

1. To understand the role of exchange rates and their movements in response to internal and external shocks,
2. To understand the interest rate parity, appreciations and depreciations and effects.
3. To understand the asset approach and the monetary approach,
4. To understand the meaning of balance of payments and how they are affected by flows of investments and trade.
5. To understand how government authorities, respond to financial crisis
6. To understand the effects of monetary and fiscal policies on financial markets.
7. To understand exchange rates regimes and how exchange rates behave in those regimes when subjected to different international forces.

8. To understand currency areas and the Euro.

The course outline below provides a general plan for the course; deviations may be necessary.

Course outline

Required Material:

Chapter 12 Introduction.

Chapter 13. Exchange rates and the foreign exchange market.

Chapter 14. The monetary approach in the long run.

Chapter 15. The asset approach in the short run

FIRST EXAM

Chapter 16. National and International accounts

Chapter 17. Balance of Payments

Chapter 18. Output, Exchange rates, and the macroeconomic policies

SECOND EXAM

Chapter 19. Fixed vs Floating exchange rates.

Chapter 20. Exchange rates crisis

Chapter 21. Currency areas and the Euro

FINAL EXAM

Final Exam: Comprehensive exam on the date assigned for this course. (See grading policy below). Approximately 70% of the questions will be on chapters covered in the last section after the second exam.

Chapters covered from primary text in course.

The above is a general outline of the chapters covered in the course that each examination will cover. This is subject to change and dependent upon the progression of the material covered in the course.

Prior to exam #1, I will explain the format of the in-class examinations. In-class examinations maybe a combination of multiple-choice, and short problems. I will let the class know of what will be the most suitable exam format. I will provide study guides for the exams and a practice test for the final exam.

Grading Policy:

See the table for details on how grades will be determined.

Component of Grade	Weight	Date
Home Work (online HW)	20%	On dates assigned in class
Exam 1	25%	Thursday, February 8 th
Exam 2	25%	Tuesdayy, March 20 th
Comprehensive Final	30%	Thursday April 26th. 13:30pm – 16:00pm
Total	100%	

Student grades will be assigned based on the following scale.

Course Grade	Evaluation
A+	your grade \geq 97%
A	\geq 93%
A-	\geq 90%
B+	\geq 87%
B	\geq 83%
B-	\geq 80%
C+	\geq 77%
C	\geq 73%
C-	\geq 70%
D	\geq 60%
F	$<$ 60%

Exams and Make-up Policy:

There will be absolutely **no make-up** exams. When a student misses an exam, the percentage grade on the final exam will replace the missing exam percentage grade provided that a valid excuse is submitted on time.

- It is recommended that students **not** use tablets or phones to complete online home works. Students are responsible for a reliable internet connection when taking the online homeworks – it is **not** recommended that students use unreliable wi-fi connections (for example, in a public coffee shop). GSU has many [student computer labs](#) available with reliable internet connections.
- Georgia State University and the Department of Economics have strict expectations of academic integrity. For any home works/quizzes administered online, it is expected that such home works/quizzes be the student's independent, individual work without assistance. Assistance from any persons, notes, books, consultations, groups, electronic devices, previous course home works, or any other sources is strictly prohibited and considered to be a breach of academic honesty. A breach of academic honesty has serious consequences including expulsion.

Attendance Policy:

Attendance does not factor directly into your course grade. However, attending class is important and experience indicates that students who attend class regularly do significantly better than students who do not. Students missing class should consult with a classmate to determine what was missed.

Important Notes:

1. The course syllabus provides a general plan for the course; deviations may be necessary.
2. All students are responsible for knowing and adhering to [GSU's Policy on Academic Honesty](#) as published in [Student Code of Conduct Handbook](#).
3. Your constructive assessment of this course plays an indispensable role in shaping education at Georgia State. *Upon completing the course, please take time to fill out the online course evaluation.*

4. Students who wish to request accommodation for a disability may do so by registering with the [Office of Disability Services](#). Students may only be accommodated upon issuance by the Office of Disability Services of a signed Accommodation Plan and are responsible for providing a copy of that plan to instructors of all classes in which accommodations are sought.
5. Students who withdraw after the midpoint of each term will not be eligible for a “W” except in cases of [Emergency Withdrawal](#).
 - a. Withdrawal Policy: <http://advisement.gsu.edu/self-service/policies/withdrawal-policy/>
 - b. Repeat to Replace Policy: <http://advisement.gsu.edu/self-service/policies/repeat-to-replace-policy/>
 - c. Grade Appeal and Change (including Incomplete Grades) Policy: <http://registrar.gsu.edu/academic-records/grading/grade-appeals-and-changes/>
6. Important University dates can be found at <http://registrar.gsu.edu/registration/semester-calendars-exam-schedules/>
7. Georgia State University values diversity and is committed to fostering and maintaining an educational environment which appreciates individual differences in all areas of operation including classroom instruction, texts, and materials. To this end, any actions, practices, or processes by any faculty, staff person, or student that discriminates against or is prejudicial toward any person or group based on race, gender, age, religion, ethnicity, nationality, disability, sexual orientation, or socioeconomic status will not be tolerated.
8. Exams. We will have three exams: two “midterms” and a final. The midterm exams are non-cumulative. The final exam is cumulative. However, about 75 percent of the final exam will be based on material covered after Exam II. All exams will consist of multiple choice questions. Bring your own non-programmable calculator to exams. Cell phone calculators cannot be used on exams.
9. Policy on Academic Honesty All students are responsible for knowing and adhering to GSU’s Policy on Academic Honesty¹ as published in On Campus: The Undergraduate Co-Curricular Affairs Handbook. An incident of academic dishonesty (cheating on a test, plagiarizing, etc.) will result in an automatic F for the course.
10. Disruptive Student Conduct All forms of disruptive behavior should be avoided. Disruptive student behavior as defined by the Student Code of Conduct includes but is not limited to: “verbal or physical threats, repeated obscenities, unreasonable interference with class discussion, making/receiving personal phone calls, text messages or pages during class, excessive tardiness, leaving and entering class frequently in the absence of notice to instructor of illness or other extenuating circumstances, and persisting in disruptive personal conversations with other class members.” Please ensure that cellular phones, pagers, etc. are turned off during lectures. Laptop computers may be used ONLY TO TAKE LECTURE NOTES.
11. Refer to Georgia State University policy on disruptive student conduct (under the Georgia State University Student Code of Conduct and Policies).