

Summer 2016 Semester Syllabus

Economics of Global Finance

ECON 8860-A
(CRN 54219)

Monday and Wednesday from 4:45 pm to 7:15 pm
Langdale Hall, room 425

Instructor: Mark Rider
Office: AYSPS Bldg, Room 552
Phone: (404) 413-0227
E-mail: mrider@gsu.edu

Office hours: MW: 3:00 pm – 4:00 pm (or by appointment)

Prerequisites: EC 2105 Principles of Macroeconomics and EC 2016 Principles of Microeconomics.

Catalog Description: This course deals with the functioning of the international monetary system and its financial markets which set or influence foreign exchange rates. It develops an open economy macro model showing balance of payments equilibrium, and assesses policies to deal with imbalances. It examines the impact of international capital flows.

Course objectives: Global finance is concerned with financial flows between sovereign states. This course will introduce the main concepts and theories of international finance and illustrates them with applications drawn from historical experience. This course will address a wide range of issues, including balance of payments, exchange rate determination, international policy coordination, and international capital markets.

When you have successfully completed this course, you should be able to do following:

1. Apply and identify basic concepts of international finance.
2. Explain basic events and phenomena related international finance.
3. Locate, organize, and analyze international financial data to reach insightful conclusions. Such data include exports and imports either in aggregate terms or for specific goods and services for individual countries, trade patterns for the U.S. and other countries, trade deficits/surpluses, and tariff rates.
4. Critically evaluate the claims of politicians and other policymakers regarding the welfare effects of their proposals of international finance.

Method of Instruction: EC 8860 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.

Textbook: International Macroeconomics, by Robert C. Feenstra and Alan M. Taylor, Worth Publishers, 2012. ISBN-10: 1-4292-4103-9

Attendance policy: Attendance is strongly recommended. Please remember that all university regulations, deadlines, and policies must be observed. In particular, students are expected to follow the GSU “Policy on Academic Honesty” (Section 409 of the Georgia State University Faculty Handbook). Also, on some date after the mid-point of the course (a date set by the Provost), students on the grade rolls but no longer taking the class will be given a grade of WF, and the last day of class that the student attended or turned in an assignment will be reported to the GSU administration.

Grading policy: Your final grade will be based on your performance on two exams: a mid-term exam and a final exam. A numerical average will be calculated by equally weighting the two exams. A final letter grade for the course will be assigned according to your numerical average (X), calculated in the manner described above, and the following table:

Average	Letter Grade
$98 \leq X$	A+
$93 \leq X < 98$	A
$90 \leq X < 93$	A-
$88 \leq X < 90$	B+
$83 \leq X < 88$	B
$80 \leq X < 83$	B-
$78 \leq X < 80$	C+
$73 \leq X < 78$	C
$70 \leq X < 73$	C-
$60 \leq X < 70$	D
$X < 60$	F

Make-up exam policy: No make-up exams will be allowed. If you must miss a scheduled in-class exam, then you will be given a zero (0) for the missed exam(s).

Tentative Class Schedule

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

No.	Date	Assignment
1	Monday, June 6	Some preliminaries: The impossible trinity
2	Wednesday, June 8	Chapters 1: The global economy
3	Monday, June 13	Chapters 2: Introduction to exchange rates
4	Wednesday, June 15	Chapter 3: Exchange Rates I: Monetary approach in the long-run
5	Monday, June 20	Chapter 4: Exchange Rates II: Asset approach in the short-run
6	Wednesday, June 22	Chapter 5: National and international accounts
7	Monday, June 27	Exam 1 (Chapters 1 – 5)
8	Wednesday, June 29	Return and review exam (Last day to withdraw)
*	Monday, July 4	Holiday – no class
9	Wednesday, July 6	Chapters 6: Balance of Payments I: The gains from financial globalization
10	Monday, July 11	Chapters 7: Balance of Payments II: Output, exchange rates, and macroeconomic policies in the short-run
11	Wednesday, July 13	Chapters 8: Fixed versus floating: International monetary experience
12	Monday, July 18	Chapters 9: Exchange rate crises: How pegs work and how they break
13	Wednesday, July 20	Chapters 10: The Euro
14	Monday, July 25	Review for final exam
*	Wednesday, July 27 (4:15 pm to 6:45 pm)	Final exam (Chapters 6 - 10) in Langdale Hall, room 425.
*	Tuesday, August 2	Grades must be submitted to GoSolar by 5:00 p.m.
*	Thursday, August 4	Grades available to students after 5:00 p.m.

Some important dates are indicated by an asterisk (*)

Your constructive assessment of this course plays an indispensable role in shaping education at Georgia State University. Upon completing this course, please take time to fill out the online course evaluation.

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 an accommodations is sought.