

Instructor: Sarah Oh, JD, PhD Student, soh5@gmu.edu
Schedule: Tuesday, 7:20 to 10:00 pm in Planetary Hall 120
Office Hours: Tuesday, 3:00 to 4:00 pm in Mason Hall (by appointment)
Prerequisites: ECON 306 and 311, or permission of instructor

Course Objectives:

This course examines balance of payments, exchange rate behavior, and open economy macroeconomics. Course material will cover the international financial system. This undergraduate course should assist in improvement of students' analytical skills, particularly with regards to macroeconomic data collection and current events in international finance.

Course Description:

The course will address the following topics: exchange rate behavior; the balance of payments and its relationship to the National Income and Product Accounts; the international monetary system; fixed versus floating exchange rates; the Eurozone; and other topics in international macroeconomics. We will also discuss exchange rate crises, banking crises, and default crises in current and historic events.

Texts and Reading Assignments:

Feenstra and Taylor, International Macroeconomics (Third Edition, 2014) (required)

Class Format and Expectations:

The course is primarily a lecture course, with a student presentation component. If you miss a class, you are responsible for the material missed and announcements. Please ask other students in addition to regularly checking Blackboard. Please refrain from using electronics during class.

Students will give twenty-minute presentations on a current event related to course material, cited in the Feenstra and Taylor textbook or with instructor permission. Presentations can extend upon any of the "Headlines" sections in the textbook, another financial event cited in the text, or a current event. Detailed instructions on expectations for the student presentations will be provided in a separate handout. Students will sign-up first come, first serve, on a Doodle schedule for their preferred week with two student presentations per week. Presentation topics should reasonably match the material for the week.

Students will write a paper on one of the National Income and Product Accounts (NIPAs), *see generally* Figure 5-2 of page 161 of the textbook. Papers should include an explanation of one subset of these accounts, for example, a line item from Personal Consumption Expenditure (PCE), Private Fixed Investment (PFI), or Net Exports of Goods and Services, in chapters 5, 6, or 8 of the NIPA Handbook: Concepts and Methods of the U.S. National Income and Product Accounts. Detailed instructions on expectations for the paper will be provided in a separate handout.

Course Requirements and Grading:

Scores on the research paper, presentation, midterm exam, and final exam will determine final grades for this course. The exams will cover readings from the Feenstra and Taylor textbook and lecture material. I recommend that students closely read the textbook, chapter key points, and chapter problems. Make-up exams are limited to unusual circumstances and if arrangements are made prior to the exam or if there is a documented emergency (e.g., severe illness).

Final Grades will be based on:

		Due Date:
Midterm Exam:	20%	10/6
Paper:	20%	11/10
Presentation:	20%	Various
Final Exam:	40%	12/5

Honor Code:

GMU has an Honor Code with clear guidelines regarding academic integrity. Submit only your own work for assignments, exams, and presentations, and include citations for attributions for any text that is not your own writing, through quotation marks and reference citations.

Office of Disability Services:

If you are a student with a disability and you need academic accommodations, please send me an email and contact the Office of Disability Services at 703-993-2474. All academic accommodations must be arranged through that office.

Schedule:

Date	Chapter	Topics
9/1	1	Course Introduction, Class Survey, The Global Macroeconomy
9/8	2	Introduction to Exchange Rates and the Foreign Exchange Market
9/15	3	Exchange Rates I: The Monetary Approach in the Long Run, S. 1-3 (p. 63-89)
9/22	3	Exchange Rates I: The Monetary Approach in the Long Run, S. 4-6 (p. 89-104)
9/29	4	Exchange Rates II: The Asset Approach in the Short Run
10/6		<i>Midterm Exam.</i>
10/13		<i>No Class.</i>
10/20	5	National and International Accounts: Income, Wealth, Balance of Payments
10/27	6	The Balance of Payments I: The Gains from Financial Globalization
11/3	7	The Balance of Payments II: Output, Exchange Rates, Macroeconomic Policies
11/10	8	<i>Paper Due.</i> Fixed Versus Floating: International Monetary Experience
11/17	9	Exchange Rate Crisis: How Pegs Work, S. 1-2 (p. 347-379)
11/24	9	Exchange Rate Crisis: How Pegs Work, S. 3-5 (p. 379-397)
12/1	10	The Euro
12/8	11	Topics in International Macroeconomics
12/15		<i>Final Exam.</i>