

International Money and Finance

Econ 7640

Winter 2019

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COURSE DETAILS

Course Title & Number:	International Money and Finance (Econ 7640)
Number of Credit Hours:	3 credit hours
Class Times & Days of Week:	Wednesday: 3:0 – 6:00 pm
Location for classes:	107 ISBISTER
Prerequisites:	Prerequisite: ECON 7630, or both the former ECON 7500 and ECON 7510, or permission of instructor.

Instructor Contact Information

Instructor(s) Name:	John Serieux
Preferred Form of Address:	Dr./Professor/Mr. Serieux
Office Location:	512 Fletcher Argue Building
Office Hours or Availability:	Wednesday: 12:00 – 2:00 pm Appointments for other times can be made by email or telephone.
Office Phone No.	(204) 474 -9493
Email:	John.Serieux@umanitoba.ca Please identify yourself and your course name or number in your email. Emails and phone messages will be replied to within 48 hours (except weekends) but more typically within 24 hours.
Contact:	Please try to avoid using the after-class time to address anything but quick queries. I have a limited amount of time to wrap up and get out of the room before the next class. Office hours, emails or arranged appointments are the best avenues and times for addressing any issues you may have relating to the course.

Course Description (Aurora)

Analysis of the theory of international money and finance. Assessment of existing international institutions dealing with money and finance. Theory, rationale and evaluation of structural adjustment policies.

General Course Information

This course aims at introducing students to the most important principles in International Money and Finance, at a graduate level, and to acquaint them with the more salient issues in the field.

Since it is not assumed that all students are familiar with the fundamentals of international money and finance (except for concepts ordinarily learned in intermediate and advanced macroeconomics) we will begin with a basic grounding in the subject. However, as we will move quickly through these principles, students will be responsible for most of the preparation with class lectures serving only as review sessions and opportunities to have questions answered. We will then move to the more advanced approaches.

A complete appreciation of the scope and relevance of international money and finance would be incomplete without consideration of the ways in which the principles learnt relate to the major recent challenges to the international economy and the performance of major international financial institutions in that regard. The treatments of these issues have thus been integrated into the course and students will be expected to write a short paper on one of those topics with reference to a particular country experience.

Textbook, Readings, Materials

Required textbook

Gandolfo, Giancarlo (2016), *International Finance and Open-Economy Macroeconomics*, New York: Springer-Verlag.

Additional Readings (as indicated in the course outline) will be provided to students via UMLearn.

Course Evaluation Method

Midterm Exam	(February 27, 2019)	40%
Short Paper (5-7 pages)		20%
Final Exam		40%

Note: The VW Deadline is March 20, 2019. (You should have received the results of your Midterm test by then.)

Schedule of Lectures

Topic 1: The Basics of International Money and Finance

(1) The Foreign Exchange Market

Gandolfo, Giancarlo (2016). *Chapter 2*.

(2) Exchange-Rate Regimes

Gandolfo, Giancarlo (2016). *Chapter 3*.

(3) The Interest-Rate Parity Condition

Gandolfo, Giancarlo (2016). *Chapter 4*.

(4) The Balance of Payments

Gandolfo, Giancarlo (2016). *Chapter 5*.

Topic 2: Approaches to the Balance of Payments

(5) The Elasticity Approaches

Gandolfo, Giancarlo (2016). *Chapter 7*.

(6) The Multiplier Approach

Gandolfo, Giancarlo (2016). *Chapter 8*.

(7) An Integrated Approach

Gandolfo, Giancarlo (2016). *Chapter 9*.

(8) The Mundell-Fleming Model

Gandolfo, Giancarlo (2016). *Chapter 10, 11*.

(9) Monetary Approach to the Balance of Payments

Gandolfo, Giancarlo (2016). *Chapter 12*.

(10) The Portfolio Approach to the Balance of Payments

Gandolfo, Giancarlo (2016). *Chapter 13*

Topic 3: Exchange Rate Regimes, Currency Crises & Economic Integration

(11) Exchange Rate Determination

Gandolfo, Giancarlo (2016). *Chapter 15*

(12) Fixed vs. Flexible Exchange Rates

Gandolfo, Giancarlo (2016). *Chapter 17*

(13) International Financial Crises

Gandolfo, Giancarlo (2016). *Chapter 16*

Evans, Trevor (2015). "Five explanations for the international financial crisis" in Hein *et al* (eds.) *The Demise of Finance-dominated Capitalism: Explaining the Financial and Economic Crises*. Cheltenham, UK: Edward Elgar Publishing.

(14) International Monetary Integration

Gandolfo, Giancarlo (2016). *Chapter 20*

Expectations: What you can expect from me

- I will treat all students equally and with courtesy and respect;
- I will try to ensure that the class environment is stimulating;
- I will make myself available to students as much as is reasonably possible;
- I will ensure assignments and tests are marked fairly and return submitted assignments no more than 12 days after submission.

Expectations: What I expect from you

- You will treat me and your fellow students with courtesy and respect;
- You will try to participate in class discussions;
- You will ask questions to the professor whenever you are unclear on a topic or need further elaboration;
- You will try to obtain a textbook and access any other assigned reading material and try to use them as intended in your assignments and tests.
- You will abide by the rules of academic Integrity (see Schedule A on UM Learn)

Using Copyrighted Material

Copyrighted material is part of the content of this course. The instructor has ensured that that content is appropriately acknowledged and is copied in accordance with copyright laws and University guidelines. Copyrighted works, including those created by the instructor, are made available for private study and research and must not be distributed in any format without permission or uploaded to any learning management system (such as UM Learn), or any website, unless an exception to the *Copyright Act* applies or written permission has been confirmed. For more information, see the University's Copyright Office website at <http://umanitoba.ca/copyright/> or contact um_copyright@umanitoba.ca.

Recording Class Lectures

The instructor and the University of Manitoba hold copyright over the course materials, presentations and lectures that form part of this course. Any audio or video recording of lectures or presentations must receive the prior permission of the instructor (John Serieux). Course materials (both paper and digital) are for the participant's private study and research.

Course Technology

It is the general University of Manitoba policy that all technology resources are to be used in a responsible, efficient, ethical and legal manner. The student can use technology in the classroom setting only for educational purposes approved by the instructor and/or the University of Manitoba Disability Services. Student should not participate in personal direct electronic messaging / posting activities (e-mail, texting, video or voice chat, wikis, blogs, social networking (e.g. Facebook) online and offline "gaming" during scheduled class time. If a student is on call (emergency) the student should switch his/her cell phone on vibrate mode and leave the classroom before using it. (©[S Kondrashov](#). Used with permission)

I will use UM Learn to post lecture PowerPoint slides, notices, the course outline and some reading material. Students can access UM Learn directly from the University website (via the Current Students link) or via JUMP.

Class Communication

The University requires all students to activate an official University email account. For full details of the Electronic Communication with Students please visit:

[http://umanitoba.ca/admin/governance/media/Electronic Communication with Students Policy - 2014 06 05.pdf](http://umanitoba.ca/admin/governance/media/Electronic_Communication_with_Students_Policy_-_2014_06_05.pdf)

Please note that all communication between instructor and student must comply with the electronic communication with student policy

([http://umanitoba.ca/admin/governance/governing_documents/community/electronic communication with students policy.html](http://umanitoba.ca/admin/governance/governing_documents/community/electronic_communication_with_students_policy.html)). You are required to obtain and use your U of M email account for all communication between yourself and the university.

Students Accessibility Services (SAS)

If you are a student with a disability, please contact SAS for academic accommodation supports and services such as note-taking, interpreting, assistive technology and exam accommodations. Students who have, or think they may have, a disability (e.g. mental illness, learning, medical, hearing, injury-related, visual) are invited to contact SAS to arrange a confidential consultation.

Student Accessibility Services:

Website: <http://umanitoba.ca/student/saa/accessibility/>
Location: 520 University Centre
Tel: 204 474 7423
Email: Student_accessibility@umanitoba.ca

See Schedule A (posted on UM Learn) to find more information on available resources for students and student responsibilities