

University of Waterloo
Department of Economics
Economics 332 - International Finance

Winter 2020

Monday 6:30 - 9:20 pm, RCH 112

Instructor:	Muhebullah Karimzada	TA:	TBA
Office:	Room 162, Hagey Hall	Office:	TBA
Office hours:	Mon & Wed (4:00 - 5:30 pm), or by appointment.	Office hours:	TBA
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Course Description

This course presents International Finance theory and applies it towards gaining an understanding of recent events and current policy issues. The theory presented in this course covers a broad range of topics including exchange rate determination, monetary and fiscal policy in an open economy, balance of payments crises, the choice of exchange rate systems, and international debt. The insights provided by these theoretical frameworks will enable us to discuss topics such as current account deficits and global financial imbalances, the Chinese exchange rate regime, proposed changes in the international financial architecture, the single currency in Europe, the Asian and Argentine financial crises, and the role of international factors on a nations employment, wage and economic performance.

Course Content

1. The Global Macroeconomy (chapter 1)
2. Introduction to Exchange Rates and Foreign Exchange Market (chapter 2)
3. Exchange Rates I: The Monetary Approach in the Long Run (chapter 3)
4. Exchange Rates II: The Asset Approach in the Short Run (chapter 4)
5. National and International Accounts: Income, Wealth and Balance of Payments (chapter 5)
6. Balance of Payments I: Gains from Globalization (chapter 6)
7. Balance of Payments II: Output, Exchange Rates and Macro Policies in the Short Run (chapter 7)
8. Fixed vs. Floating: International Monetary Experience (chapter 8)
9. Exchange Rate Crises (chapter 9)
10. The Euro (chapter 10) - *time permitting*

Required Course Material

- Feenstra, Robert C.; Taylor, Alan M. “International Macroeconomics” 4th edition, Worth Publishers, 2016.

Course web site

In this course we will be using the Learn web site <http://learn.uwaterloo.ca>. Students should be aware that, when they access the electronic components of this course, private information such as first and last names, usernames for the University of Waterloo e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

Here are some of the items you will find on the course web page:

- Office hours of the instructor and teaching assistant(s)
- Slides
- Problem Sets and Additional Exercises
- Solutions of selected problems in the textbook
- Some handouts/lecture notes
- Grades

Assessment

1. Your final grade for the course will be calculated as follows:

Assessment	Date of Evaluation	Weight
Midterm Exam 1	February 10 th , 2020 (In Class)	25%
Midterm Exam 2	March 16 th , 2020 (In Class)	25%
Final Exam	TBA	50%
Total		100%

2. The date for the final exam is still to be determined by the University and will be announced to you as soon as it becomes public.
3. All midterms and final exams are **individual and closed-book**.
4. There will be no makeup exams.
5. If students miss an assessment (and can provide the appropriate documentation) will have the weight transferred to the final exam.
6. It is mandatory that students bring their University of Waterloo student ID card to the midterm and the final exams.

7. Method of evaluation for midterm and final exams: short-answer questions, numerical calculations, mathematical derivations, true-false, multiple choice, and fill-in-the-blank questions
8. Tests will be marked by the TA according to my instructions. If you want clarifications about the marking of a test or assignment please contact the TA first and then contact me if you were unable to resolve your problem with him/her.
9. Your grades on exams will be posted on the Learn web site. Please immediately report to the instructor any discrepancy between the posted and actual grades.

Contacting the Instructor

My office hours are listed on page 1. Please feel free to come to my office at those times to seek help or to discuss matters related to the course. Please note that there is no guarantee I will be available to assist you (even if I am in my office) if you drop by at random times outside of my designated office hours.

If my scheduled office hours and those of the TA conflict with your schedule, you can request an appointment with me via email at m4karimz@uwaterloo.ca. Please insure that your email has subject line starting with "ECON 332," this will minimize the risk of your email being overlooked or perceived as spam. The email tool on the Learn web site is not great so I rarely use it.

Guidelines and Expectations

Students are expected to come to class and to participate in various ways to the lectures, either by asking questions, by pointing out errors on the slides or by answering the questions I will ask during the lectures. While I will try my best to post on the Learn web site any announcements made in class, there might be a lag in posting the information or I may inadvertently forget to post something. The instructor takes no responsibility for any adverse effects students may experience as a result of his omission to post on the Learn web site an announcement made in class.

Most of the time I will deliver my lectures using slides. The slides will be distributed through the Learn web site, after classes. Occasionally, I will use the blackboard/whiteboard to cover additional material. The slides are not lecture notes. They are mainly providing outlines of what will be discussed in class. I will set the lecturing pace based on the assumption that you have copies of the slides with you in class.

A reading schedule is posted on the Learn web site. Students are assumed to have read the material ahead of the lectures. Students should NOT expect me to talk about every single textbook page. The lectures will focus on the most important and challenging parts of the material. More basic material will be left for the students to study on their own. I will refer to this more basic material in the lectures, hence the need to read ahead to understand the lectures.

Topics covered in the textbook which students are not responsible for will be posted on the Learn web site.

Institutional-required statements for undergraduate course outlines

Economics Department Deferred Final Exam Policy

Deferred Final Exam Policy found at: <https://uwaterloo.ca/economics/current-undergraduates/policies-and-resources/deferred-final-exam-policy>.

Cross-listed course

Please note that a cross-listed course will count in all respective averages no matter under which rubric it has been taken. For example, a PHIL/PSCI cross-list will count in a Philosophy major average, even if the course was taken under the Political Science rubric.

Academic Integrity

Academic Integrity: In order to maintain a culture of academic integrity, members of the University of Waterloo are expected to promote honesty, trust, fairness, respect and responsibility. See the [UWaterloo Academic Integrity](#) webpage and the [Arts Academic Integrity](#) webpage for more information.

Discipline: A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about “rules” for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to [Policy 71 - Student Discipline](#). For typical penalties check [Guidelines for the Assessment of Penalties](#).

Grievance: A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. [Read Policy 70 - Student Petitions and Grievances](#), Section 4. When in doubt, please be certain to contact the department’s administrative assistant who will provide further assistance.

Appeals: A decision made or penalty imposed under Policy 70 - Student Petitions and Grievances (other than a petition) or Policy 71 - Student Discipline may be appealed if there is a ground. A student who believes he/she has a ground for an appeal should refer to [Policy 72 - Student Appeals](#).

Accommodation for Students with Disabilities

Note for students with disabilities: [The AccessAbility Services office](#), located on the first floor of the Needles Hall extension (1401), collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the AS office at the beginning of each academic term.

The instructor reserves the right to modify elements of the course and will notify students accordingly (in class and post any changes to the Learn web site).