ECON 5633-101: International Economics - Finance

Course Description:
This course deals with the macroeconomic aspects of the theories and policies of international economics. We will have three related main topics: balance of payments, exchange rates, and macroeconomic policies in an open-economy context. In addition, we will examine the working mechanism of the foreign exchange market and various financial instruments.

A large portion of the class will be devoted to the following questions: What are the exchange rates (spot and forward rates), futures and options? What's the relationship between exchange rates and current account balances? What kind of economic policies can be used to influence the interest rate, exchange rate, national output level, price level, and current and financial account balances? During the process, we will build economic models and use these models to explain various real world phenomena. For example, the students will be frequently reminded of the last twenty years' economic situations, and monetary and fiscal policies. Other examples include the Mexican peso problem at the end of 1994 and early 1995, the Asian, Latin American, and Eastern European and Russian economic and currency crises, the EU financial and economic problems, and the macroeconomic relationship of the U.S. with China.

Class Dates, Location and Hours:
Dates: July 12 – 14 & 19 – 21, 2019
Location: 3281 NW Koehler Loop, Fort Sill, Oklahoma.
Hours: Friday 5:30-9:00 p.m., Saturday 9:00 a.m.-5:00 p.m.; Sunday 12:00-4:00 p.m.
Last day to enroll or drop without penalty: June 13, 2019

Site Director:
Email: apftsill@ou.edu. Phone: (580) 355-1974.

Professor Contact Information:
Course Professor: Zhen Zhu, Ph.D.
Mailing Address: Department of Economics
College of Business
University of Central Oklahoma
100 N. University Drive
Edmond, OK 730734
Telephone Number: 405-321-8693
E-mail Address: zzhu@uco.edu
Professor availability: The professor will be available via e-mail to students before and after the class sessions. On-site office hours are half an hour before and after each class session, by appointment.

Textbook(s) and Instructional Materials:
Student materials are available at the OU Bookstore Website at https://ou.textbookx.com/institutional/index.php. There is no longer a physical bookstore, the store will remain, but textbooks will not be stocked. The website has book selling, renting, buying, returning, and order tracking capabilities. If you need help with an order, or if you have any questions contact the toll-
free phone at 1-(855)-790-6637, agents are available from 9a – 5p (EST) Monday – Friday. For more information or questions about textbooks, feel free to contact apsyllabi@ou.edu. Text prices are available online.


**Course Objectives:**

Upon completion of the course, students should be able to understand the economic theories about the determination of national economic activities, and interaction of various macroeconomic variables in the open economy context at a more advanced level; to understand and evaluate the impact of macroeconomic policies on national and international economies; and to thoroughly understand and critically assess the current economic events.

The student will be able to:

1. understand major international financial theories;
2. understand the consequences of macroeconomic policies in an open economy; and analyze international financial issues using a simplified and unified framework.

**Assignments, Grading and Due Dates:**

**Course Outline:**

I. Introduction
II. National Income Accounting and Balance of Payments Account
III. Exchange Rates and Foreign Exchange Market
IV. Determination of Output, Exchange Rates and Prices in the Short Run and Long Run
V. Fixed Exchange Rate Systems and Foreign Exchange Intervention
VI. Comparison of Fixed and Floating Rate Systems
VII. Optimum Currency Areas and the European Experience

**Final Exam:**

There will be a final exam.

**Post Seminar Assignment:**

A term paper (15 pages at least, including references and tables and graphs) dealing with international financial issues will account for 30% of the course grade for satisfactory completion. Topics need to be discussed with and approved by the professor. **Due Date: August 4, 2019**

**Grading:**

This is a letter-graded course: A, B, C, D, or F.

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Due Date</th>
<th>Percent of Grade</th>
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<tbody>
<tr>
<td>Final Examination</td>
<td>Last day of class</td>
<td>70%</td>
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<tr>
<td>Post Seminar Assignment</td>
<td><strong>August 4, 2019</strong></td>
<td>30%</td>
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**Notice:** Failure to meet assignment due dates could result in a grade of I (Incomplete) and may adversely impact Tuition Assistance and/or Financial Aid.
POLICIES AND NOTICES

Attendance/Grade Policy

Attendance and participation in interaction, individual assignments, group exercises, simulations, role playing, etc. are valuable aspects of any course because much of the learning comes from discussions in class with other students. It is expected that you attend all classes and be on time except for excused emergencies.

Excused absences are given for professor mandated activities or legally required activities such as emergencies or military assignments. It is the policy of the University to excuse absences of students that result from religious observances and to provide without penalty for the rescheduling of examinations and additional required class work that may fall on religious holidays. Unavoidable personal emergencies, including (but not limited to) serious illness; delays in getting to class because of accidents, etc.; deaths and funerals, and hazardous road conditions will be excused.

If you are obtaining financial assistance (TA, STAP, FA, VA, Scholarship, etc.) to pay all or part of your tuition cost, you must follow your funding agency/institution’s policy regarding “I” (Incomplete) grades unless the timeline is longer than what the University policy allows then you must adhere to the University policy. Students who receive Financial Aid must resolve/complete any “I” (Incomplete) grades by the end of the term or he/she may be placed on “financial aid probation.” If the “I” grade is not resolved/completed by the end of the following term, the student’s Financial Aid may be suspended make the student ineligible for further Financial Aid.

Students are responsible for meeting the guidelines of Tuition Assistance and Veterans Assistance. See the education counselor at your local education center for a complete description of your TA or VA requirements.

Academic Integrity and Student Conduct

Academic integrity means honesty and responsibility in scholarship. Academic assignments exist to help students learn; grades exist to show how fully this goal is attained. Therefore all work and all grades should result from the student's own understanding and effort.

Academic misconduct is any act which improperly affects the evaluation of a student’s academic performance or achievement. Misconduct occurs when the student either knows or reasonably should know that the act constitutes misconduct. Academic misconduct includes: cheating and using unauthorized materials on examinations and other assignments; improper collaboration, submitting the same assignment for different classes (self-plagiarism); fabrication, forgery, alteration of documents, lying, etc…in order to obtain an academic advantage; assisting others in academic misconduct; attempting to commit academic misconduct; destruction of property, hacking, etc…; intimidation and interference with integrity process; and plagiarism. All students should review the Student’s Guide to Academic Integrity at http://integrity.ou.edu/students_guide.html

Students and faculty each have responsibility for maintaining an appropriate learning environment. All students should review policies regarding student conduct at http://studentconduct.ou.edu/

Accommodation Statement

The University of Oklahoma is committed to making its activities as accessible as possible. For accommodations on the basis of disability, please contact your local OU Site Director.

Adjustment for Pregnancy/Childbirth-Related Issues

Should you need modifications or adjustments to your course requirements because of documented pregnancy-related or childbirth-related issues, please contact me as soon as possible to discuss. Generally, modifications will be made where medically necessary and similar in scope to accommodations based on temporary disability. Please see http://www.ou.edu/content/eoo/faqs/pregnancy-faqs.html.
Title IX Resources

For any concerns regarding gender-based discrimination, sexual harassment, sexual misconduct, stalking, or intimate partner violence, the University offers a variety of resources, including advocates on-call 24/7, counseling services, mutual no-contact orders, scheduling adjustments, and disciplinary sanctions against the perpetrator. Please contact the Sexual Misconduct Office at smo@ou.edu or (405) 325-2215 (8-5), or the Sexual Assault Response Team at (405) 615-0013 (24/7) to report an incident. To learn more about Title IX, please visit the Institutional Equity Office’s website at http://www.ou.edu/content/eoo.html

Course Policies

Advanced Programs policy is to order books in paperback if available. Courses, dates, and professors are subject to change. Please check with your OU Site Director. Students should retain a copy of any assignments that are mailed to the professor for the course. Advanced Programs does not provide duplicating services or office supplies.

Any and all course materials, syllabus, lessons, lectures, etc. are the property of professor teaching the course and the Board of Regents of the University of Oklahoma and are protected under applicable copyright.

For more information about Advanced Programs, visit our website at: http://www.goou.ou.edu/
INSTRUCTOR VITA
Zhen Zhu, Ph.D.

Education

1994 Ph.D. in International Economics, Macroeconomics, Econometrics, University of Michigan

Current Positions

• Advanced Programs professor since 1997
• Dr. Michael Metzger Endowed Chair, Professor of Economics, University of Central Oklahoma

Frequently Taught Advanced Programs Courses

• Economics 5613 International Economics - Trade
• Economics 5633 International Economics – Finance
• Economics 5073 Contemporary Economic Policy and Analysis

Major Areas of Teaching and Research Interest

• International Financial Market
• Energy Markets (especially natural gas markets)

Representative Publications and Presentations


Representative Honors and Awards Received

• Transformative Learning Scholar, UCO 2014 to present
• Barnabas Fellow, UCO, 2011-2012
• McGraw-Hill/Irwin Distinguished Paper Award, Southwest Society of Economists, 2006
• Exemplary Service Award, UCO Economics Department, 2004
• Faculty Research Merit Award, UCO, 2003, 2007, 2011
• Distinguished Researcher of the Year, College of Business, UCO, 2002
• Research Fellow, Financial Research Institute, University of Missouri, 2001, 2002
• Hauptman Fellow for Research Excellence, UCO, 2001