

Georgetown University  
ECON-244-20: International Finance

Summer 2018 - Syllabus \*

### Basic Information:

Instructor: Subhadhra Sankaran  
Main Second Session: July 9 – August 10, 2018  
Time: 10:45 AM - 12:45 PM  
Days: MTWR  
Location: TBA  
Office Hours: TBA  
Contact: ss3865@georgetown.edu

### Course Description and Objective:

The course is organized as a two part structure. Initially, the course will focus on countries' national accounts, balance of payments, exchange rate regimes and their determination. The second part of the course will build on these to look at foreign exchange and money markets, monetary and stabilization policies, currency and financial crises with country examples. While the course assumes some familiarity with introductory economics (supply and demand analysis, *etc.*), bulk of the material is self-contained.

The theoretical tools developed in the course, and exposure to various data sources, would equip one with the fundamental quantitative methods to analyze and evaluate alternative international macroeconomic policies and apply these concepts to other related policy questions of interest.

### Course Material:

Class webpage is available through Canvas. The textbook reference for this course is the later part corresponding to international finance from **'International Economics: Theory and Policy', Tenth Edition, by Paul R. Krugman, Maurice Obstfeld, and Marc J. Melitz.**

### Course Evaluation:

Assignments 20%  
Midterm exam (in class, July 30) 30%  
Final exam 50%

### Course Policy:

Assignments:

- There will be two problems sets posted on Canvas at the beginning of the course. The solutions are to be turned in at the start of lecture on the due date (July 23, Aug. 6).
- Students are permitted to discuss the problems with each other, but each student must submit their solutions separately.

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\*Tentative, subject to change

- No late assignments will be accepted under any circumstances.

Exams:

- The final exam is mandatory, and cumulative. The date is TBA (check on the registrar's website).
- All exams are closed book and to be solved individually.

**Attendance and Absences:** General Georgetown rules about attendance and absences apply.

**Academic Honesty Policy Summary:** Georgetown's Honor System applies.

## **Tentative Course Outline:**

1. National income accounting and the balance of payments
2. Exchange rates and the foreign exchange market
3. Money, interest rates, and exchange rates
4. Price levels and the exchange rate in the long run
5. Output and the exchange rate in the short run
6. Exchange rate regimes
7. Globalization and capital flows
8. Currency and debt crises