

School of Economics and Finance

ECON 413: INTERNATIONAL ECONOMICS: MONETARY

Trimester 1, 2016

COURSE OUTLINE

Prescription

Key issues and analytical techniques in modern open economy macroeconomics and international monetary economics. The course examines the role of inter-temporal considerations in determining external balances, exchange rates, and monetary policy in small open economies like New Zealand.

Course Learning Objectives

1. demonstrate familiarity with the core models of open-economy macroeconomics, welfare implications, and potential gainers and losers based on the models
2. outline the role of national competitiveness, exports, and imports on international financial exposure of country
3. describe the features of global financial markets, exchange rates and interest parity, international portfolio allocation, and sovereign debt and default
4. appraise the importance of financial policies, political economy, regional agreements and cooperation, and possible controversies between countries
5. recognize the applicability of tools introduced in the course to the analysis of real world situations, and explain the implications of this analysis

Course Content

The lecture schedule and content will be posted on Blackboard as the course proceeds. Tentative topics include

1. Open Economy Macroeconomic Models
2. Current Accounts and Balance of Payments
3. International Prices
4. Portfolio Allocation
5. Sovereign Risks and Capital Controls

Trimester Dates

Teaching Period: Monday 29th February – Friday 3rd June

Study Period: Monday 6th June – Thursday 9th June

Examination Period: Friday 10th June – Wednesday 29th June (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 11th March 2016.
2. The standard last date for withdrawal from this course is Friday 13th May 2016. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks or [online](#).

Names and Contact Details

Course Coordinator/lecturer: Associate Professor Yothin Jinjarak
Office: room 402 Rutherford House
Email: yothin.jinjarak@vuw.ac.nz
Office hours: By appointment

Course Administrator: Rachel Zhang
Office: RWW120
Email: rachel.zhang@vuw.ac.nz
Ph: 463 6418

Class Times and Room Numbers

Wednesday 09:30 - 11:20 Railway West Wing RWW128

Course Delivery

The course material will be delivered via one three hour block per week for the 12 teaching weeks.

It is essential that you have access to Blackboard, and check it frequently as new information, content and readings will be posted often.

Readings

The required textbook for the course is Schmitt-Grohe, S., Uribe, M., and Woodford, M., International Macroeconomics, Princeton University Press, manuscript.
(downloadable at <http://www.columbia.edu/~mu2166/UIM/im.pdf>)

Supplemental Text: Obstfeld, M. and Rogoff, K.S., Foundations of International Macroeconomics, MIT Press.

Other readings as assigned and posted on Blackboard.

Mandatory course requirements

All assignments are mandatory.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat

Expected Workload

Total number of hours of work expected from students is around 150.

Assessment

The Assessment Handbook will apply to all VUW courses: see

<http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

Assessment for this course:

Assessment for this course:

1. Assignment #1 (due date: TBA)	10%
2. Assignment #2 (due date: TBA)	10%
3. Test (date: TBA)	30%
4. Term paper	20%
5. Final examination	30%

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period. The final examination for this course will be scheduled at some time during the following period:

Friday 10th June – Wednesday 29th June (inclusive)

Group Work

There is no group work in this course

Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and submitted to Turnitin. A copy of submitted materials will be retained on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Materials and Equipment

Silent non-programmable calculators are permitted in the examination.

Student feedback

Student feedback on University courses may be found at

www.cad.vuw.ac.nz/feedback/feedback_display.php.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the course coordinator and the class. The class representative provides a communication channel to liaise with the course coordinator on behalf of students.

Communication of Additional Information

I will contact you via email through the blackboard system. It is your responsibility to make sure you receive these emails in an up-to-date email address. If you need to contact me, do it exclusively by email.

Link to general information

For general information about course-related matters, go to

<http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

Note to Students

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

ECON413 Lecture Programme, 2016

Lecture Number	Topic	Readings
1	Global Imbalances	SUW01
2	Current Account Sustainability	SUW02
3	Temporary and Permanent Shocks	SUW03
4*	Uncertainty	SUW05
5	External Adjustment	SUW06
6	Test	
7	Twin Deficits	SUW07
8	Capital Market Integration	SUW08
9	Real Exchange Rate	SUW09
10*	Aggregate Demand Shocks	SUW10
11	External Debt	SUW12
12	Term Paper Presentation	

* assignment 1 due for submission

** assignment 2 due for submission
