PLEASE READ THE SYLLABUS

California State University, Sacramento (CSUS)

Department of Economics

Fall 2019

Instructor: Dr. S. Dube

Office: Tahoe Hall- 3031

Office Hours: TR: 8.00 – 9.00 AM

Advising Hours: TR; 9.00 -10.00 AM

Course: Economics 192/International Finance

Phone: (916) 278-7519

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Lecture Room: Tahoe Hall-1025

Class Times: TR: 12.00 - 1.15 PM

Required Textbook: You will receive access to MyLab Economics and the eText for Krugman, Obstfeld, and Melitz' *International Economics: Theory and Policy, 12e* through the campus' IncludEd program and the cost of $75.00 will be applied to your course fees. Do not purchase it separately from another source. If you would like a print copy of the textbook, the bookstore will have loose-leaf copies available for $50.00 or you can purchase one from within the MyLab for $59.99 and free shipping. For frame of reference, the lowest available price for MyLab Economics with the eText outside of IncludEd is $119.99 and the rental print text is $89.99.

IncludEd saves you money and allows everyone to access the required materials from the first day of class without having to pay immediately. Students hoping to add the class may access the materials. Any students who drop the course prior to the census date will receive a refund for the course fees including those for the MyLab and eText.

*All lectures will be made available in PowerPoint Slides represented by **KOM_CHAPTER_XX.** Lectures will concentrate on concepts and some technical details. Periodically, I will supplement listed readings by photocopies of relevant articles either the *Economist* or the Wall Street Journal (WSJ).

Registration Details for MyLab Economics and eText: There is a PDF on page 8 titled "Sacramento State & Included" – Fall 2019. That PDF contains the Course ID, access code, and the link to where you will register for the MyLab. After completing the registration, the eText may be downloaded on smartphones and tablets through the "Pearson eText" app.

You are advised to complete ALL Chapter online homework well before the Sunday night deadline at 11.59 PM. Please do not ask me to change "due dates" to accommodate your needs. I will not do so nor will I entertain requests to take exams early or late. Please note all exam dates and if these conflict with your Fall 2019 non-academic plans, I urge you to register for another section or a different class. The student registration details for MyEconlab are on the last page of the syllabus.

All lectures are available in PowerPoint Slides shown as **KOM-CHAPTER_XX** in the **Course Outline** below. Lectures in class will be 20-25 slides drawn from much longer Chapter slides available on my website. The access to these is given immediately below.

Power Point Slides

You can access these by (a) going to the Department of Economics website, (b) Click Faculty Websites, (c) click under my name, (d) click under "Personal Website" and (e) find the information under "ECON 192".

Be advised *that if you plan to rely solely on information contained in the slides and do not plan to buy and read the text, you are unlikely to pass the course. There is no substitute for reading the text and working out the problems therein.*

Description:

This is a 15 week course in International Finance and open economy macroeconomics. We study how monetary economies interact. International Finance (ECON 192) is the macroeconomic counterpart to International Trade (ECON 190). The latter studies the determination and impact of flows of goods and services across national economies. In International Finance we study trade in financial assets and national monies (currencies) across national economies and their impact. These fields are linked together but there is an important difference in focus. In trade theory (ECON 190), the primary focus is on the *welfare consequences of international transactions*. In international Finance (ECON 192), the primary focus is *on the stability of the international monetary system*.

Requirements, Grading, and Exams during the last week of class.

Your final grade is a weighted average of your performance on **2** midterm exams (1 @ 100 points each), Online Homework via **MyLab Economics** (110 points = 10 points per chapter on 11 chapters), final exam (1 @ 200 points), and 25 points for attendance (**except** on the days of midterms [Sept 26 and Oct 31] and Thanksgiving Day [November 28]. There are **535** possible semester points. Letter grades will be determined by the final distribution of total points at the end of the six weeks. A score of 90% (80%, 70%, 60%) is minimum for a letter grades of A* (B*, C*, D*). Please note that all course grades will be issued without (+ or -). For example, a letter grade C will **not** have a C- or C+. The mandatory final will be available on **My SacState** website towards the end of the semester.

Other Information for this class

1. There will be no make-up exams, midterms, and assignments in this class. Any person who misses an exam, a midterm or an assignment will be awarded a zero. Exceptions to this rule are limited only to the following cases:

   a. Students who have a doctor's note that clearly states that the named student could NOT have taken an exam, midterm or assignment on the date given. A mere note from the doctor without such a clear statement will considered insufficient (***this instructor will call the doctor for verification***);

   b. Students on active military/police/and or jury duty. In this case, a mere letter from an appropriate official will be deemed sufficient as I will always respect such service;

   c. Students who are in jail or similar situations. Again, evidence is required. **Note:** if you are in jail, use your one-telephone chance to call your lawyer or bonds person and NOT me!

   In the event that I have to give you a make-up under conditions that do not meet (a) to (c), I shall do so but the exam is guaranteed to very, very difficult to pass! Remember that I would have to write the exam for just 1 person!

2. Attendance is compulsory. However, I have to warn you against "cutting classes" because you are likely to miss some additional information that can be given on any day. There are serious opportunity costs to missing classes and one would like people to exercise responsibility and show for classes without being forced to do so.

3. There is 1 point for attendance each day the class is in session. I will take attendance towards the end of class. **If you decide to leave class during the break, you will NOT get the 1 point**. If you leave the class, I will simply retake the class register to isolate those who might have left early.
4. There will no Incompletes (the "I" grade) in this class;

5. Active student participation is encouraged via questions and comments. However, this instructor has zero tolerance for the following activities that may be allowed in other classes: talking in class about non-class related issues when the lecture is in session; reading a newspaper/passing little notes/eating in class; habitually arriving late in class **OR** leaving class early without consent of the instructor; failure to turn off your cellular phone, pager, beeper or any other communication device that may interfere with the class between 12.00 -1.15 PM.

6. No student will be allowed to do "extra work" for the purposes of improving their grade. Please do NOT ask me for such a possibility;

7. Any student who makes a **D** in a midterm must make arrangements to meet with me before the next scheduled Take-Home Final. The purpose is to help you avoid flunking!

8. There will be no negotiations over **Course Grades**. For example, statements such as, "I need an **A** in this class", fall under the category of negotiations. I just won't do this sort of thing.

9. All exams will be promptly and brought back to class the next period. You are expected to show up and pick your exam. Since exams are given on Thursdays, you will need to pick up the exam the following Tuesday. If you do not do so, this instructor will keep such material for only 1 week before throwing it out like old newspapers. The reason for this is limited office space.

10. The instructor will <u>not</u> curve any homework, midterm, and the Final. Your grade will solely depend on your performance in online homework, midterms, attendance and the final. At the end of the semester, I will add to the Grand Total your Attendance points to determine the course grade.

11. You advised **NOT** to make travelling arrangements for the Thanksgiving Holiday as this instructor will NOT accommodate you in your failure to complete online homework on time or give you a make-up test if you decide to leave early for the Thanksgiving Holiday. **Once the online (MyEconlab deadline (time & day) have lapsed I will not open it up**.

12. **Please take note of the midterm exam dates; First Midterm: Sept 26 (Thursday) and Second Midterm: Oct 31(Thurs). I will not be responsible for you missing an exam. If you miss an exam, you will earn a fat Zero**

Course Outline[1]

Week	Lecture Dates	Topics	Readings
Week 1 Week 2	Aug 27 & 29 Sept 3 & 5	Introduction National Income Accounting & BOP	KOM_Chap.1-Lecture_Slide KOM_Chap.2- Lecture_Slide
Week 3 Week 4	Sept 10 & 12 Sept 17 & 19	National Income Accounting & BOP Exchange Rates & FX Market-Asset Approach	KOM_Chap.2- Lecture_Slide KOM_Chap.3-Lecture_Slide
Week 5	Sept 24 & 26	Exchange Rates & FX Market-Asset Approach Money, Interest Rates, and Exchange Rates	KOM_Chap.3-Lecture_Slide KOM_Chap. 4-Lecture -Slide Midterm: Sept 26 (Thursday)
Week 6 Week 7 Week 8	Oct 1 & 3 Oct 8 & 10 Oct 15 & 17 – Oct 22 & 24	Price Levels and the Exchange Rate in the LR Output and the Exchange Rate in the Short-run Fixed Exchange Rates and FX Exchange Intervention	KOM_Chap. 5- Lecture_Slide KOM_Chap. 6- Lecture_Slide KOM_Chap. 7-Lecture_Slide
Week 9	Oct 22 & 24	International Monetary	KOM_Chap. 8-Lecture_Slide

[1] The instructor can always override the dates and Sections in this Table. The table serves merely as a guide. The exams will be only be given on material covered in class.

		Systems You are responsible for this Chapter	
Week 10	Oct 29 & 31	Financial Globalization: Opportunity and Crisis	**KOM_Chap. 9-Lecture_Slide** **Second Midterm: Oct 31(Thurs)**
Week 11	Nov 5 & 7	Financial Globalization: Opportunity and Crisis (cont.)	
Week 12	Nov 12 & 14	Optimum Currency Areas and the Euro	**KOM_CHAP.10-Lecture_Slide**
Week 13	Nov 19 & 21	Optimum Currency Areas and the Euro (cont.)	
Week 14	Nov 26 & 28	Developing Countries: Growth, Crisis and Reform	**KOM_Chap.11-Lecture_Slide**

CHEATING

Cheating on an exam or homework assignment is a serious offense that may result in a reduced or failing grade for the work in question and/or for the course. Please refer to the university's academic regulations and procedures for more information.

My Specific Policies dealing with Cheating

In the past few years, I have experienced an increase in cheating during exams. In order to maintain the integrity of all exams in my classes, I have now included the following changes for the exam day.

1. Place your turned off cell phone in your bag and place the bag in the front of the class. You will not be able to retrieve the phone or the bag until you turn-in your exam and leave the exam room;

2. If there are any calculations to be undertaken, the instructor will allow a **simple calculator** that can only add, subtract, add, and divide. **No programmable calculator or cell phone will be allowed**

under any circumstances. The only calculator allowed will be strictly a $3-$4 unit. Any other calculator including your cellphone will NOT be allowed. This instructor will strongly enforce this rule.

3. Despite all these measures, anyone found cheating will be immediately removed from the exam. The instructor will take possession of the exam and report the cheater immediately to university authorities. The Chair will be handed (a) your name, (b) the uncompleted exam, and (c) the evidence of your cheating. This step begins the process by the relevant university authorities, starting with the Department Chair.

4. The cheating student will not be allowed back into the class until the relevant university authorities have made some decision on the issue.

The only things that should be on a student's desk on the exam day are (1) the exam (all answers written on the exam so there is no need for a Blue book), (2) a basic calculator (*if required*), and (3) a pencil or pen. All these measures are intended to protect the integrity of exams in my classes.

Students with Disabilities

If you need disability-related accommodation in this class, if you have emergency medical information you wish to share with me, or if you need special arrangements in the event of an emergency building evacuation, please inform me immediately. I would suggest that you see me privately after class or during office hours. For additional information, visit **Services to Students with Disabilities (SSWD)** at http://www.csus.edu/SSWD/ which offers a wide range of support services and accommodations to students in order to ensure equal access and opportunity to pursue their educational goals. The **SSWD office** is located in **Lassen Hall, Room 1008** (first floor) **(**916-278-6955 (Phone) 916-278-7239 (TDD)**)**. The office is open Monday through Friday from 8 am - 5 pm. Please discuss any class-related arrangements that you make with SSWD with me at least 1 week before each exam.