Instructor: Rashid Nikzad

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Time: Tuesdays and Thursdays, 18:05–20:55 (Online)

TA: TBD

Course Description

This course is an introduction to open economy macroeconomics and international finance. The main objective of the course is to develop simple macroeconomic models of open economies that can be usefully applied to international economic issues. The course covers concepts such as the nominal exchange rate, balance of payments, the current and capital accounts, the determination of exchange rates, the effect of fiscal and monetary policies under different exchange rate regimes, balance of payment crisis, international macroeconomic dependence, financial globalization and the international monetary system.

Course Delivery: The course will be offered online. Each session includes three components: (1) Course slides and a set of pre-recorded lectures that explain the slides; (2) A set of pre-recorded mini lectures related to the topic of the day for self-study. Components (1) and (2) will be posted weekly on Brightspace; (3) Weekly live sessions in which students can ask questions about the lectures. The live sessions will be held at the beginning of the scheduled sessions on Brightspace and will last until students have questions. Except the first session, live sessions will not be recorded. More information will be provided in the first session. Note that student attendance and participation in the first lecture is compulsory.

Prerequisite: ECON 1001 and ECON 1002, or ECON 1000 or FYSM 1003 with a minimum grade of D-.

Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator.

Preclusions: Credit will not be given if taken concurrently with or after ECON 4602 (International Monetary Theory and Policy). Precludes additional credit for ECON 3600 (Introduction to International Economics).

Textbooks

Note: Students may access the 5th edition of the textbook which is published in 2021. Students may also use older versions of the textbook. However, slides and assignments are based on the 4th edition.


Students may purchase the textbooks from the CU bookstore website. The bookstore is offering free shipping on all print copies of textbooks ([https://www.bkstr.com/carletonstore/shop/textbooks-and-course-materials](https://www.bkstr.com/carletonstore/shop/textbooks-and-course-materials)). Students may also access the electronic version of the textbook via the textbook publisher’s website and amazon.

**Course Structure** - The following chapters of the textbook will be covered:

- Chapter 1 - The Global Macroeconomy
- Chapter 2 - Introduction to Exchange Rates and the Foreign Exchange Market
- Chapter 5 - National and International Accounts: Income, Wealth, and the Balance of Payments
- Chapter 3 - Exchange Rates I: The Monetary Approach in the Long Run
- Chapter 4 - Exchange Rates II: The Asset Approach in the Short Run
- Chapter 7 - The Balance of Payment II: Output, Exchange Rates, and Macroeconomic Policies in the Short Run
- Chapter 6 - Balance of Payments I: The Gains from Financial Globalization
- Chapter 8 - Fixed Versus Floating: International Monetary Experience
- Chapter 9 - Exchange Rate Crises: How Pegs Work and How They Break
- Chapter 10 - The Euro

Lecture notes, announcements, due dates and other information will be posted on Brightspace. Students are responsible for regularly checking Brightspace to ensure that they have access to posted documents and that they are up to date with any announcements.

Disclaimer: Please note that modifications/additions may be made to the list of readings. Any such modifications will be announced in a timely fashion in class. Please check the updated weekly schedule at Brightspace.

**Course Evaluation**

- Assignment 1: 10% (Due on May 25)
- Assignment 2: 10% (Due on the last day of the class)
- Midterm Exam: 35% (May 27)
- Final Exam: 45% (During the exam period as scheduled by the university)

The assignments will consist of several questions and problems. The assignments must be submitted on Brightspace on the due date. Late assignments will not be accepted and will receive a grade of zero unless a compelling reason (doctor note, etc.) is provided. In this case, the weight of the assignment will be transferred to the final exam.

The midterm covers the material presented in sessions 1-6. The final exam is cumulative. Students will receive a grade of zero if they miss the midterm exam unless they provide a compelling reason (doctor
note, etc.). If the compelling reason is accepted the weight of the midterm will be transferred to the final exam so that the weight of the midterm and final exam become 0% and 80% respectively. No deferred midterm will be offered.

Please note that tests and examinations in this course will use a remote proctoring service provided by Scheduling and Examination Services. You can find more information at [https://carleton.ca/seo-e-proctoring/](https://carleton.ca/seo-e-proctoring/) and [https://carleton.ca/seo/wp-content/uploads/CoMaS-Student-Instructions-v.-1.06.pdf](https://carleton.ca/seo/wp-content/uploads/CoMaS-Student-Instructions-v.-1.06.pdf).

**University Policies**

**Academic Integrity:** Please be aware that all work submitted as requirements of this course must be both your own work and original to this course. Students should consult Section 14 of the Faculty of Graduate Studies Calendar, General Regulations concerning academic integrity and instructional offences.

**Plagiarism:** Please be aware that plagiarism is serious offence at Carleton and should be recognized and avoided. For information on how to do so, please see "Pammett on Plagiarism and Paraphrasing" at [carleton.ca/economics/courses/writing-preliminaries](http://carleton.ca/economics/courses/writing-preliminaries).

**Course grades:** Standing in a course is determined by the course instructor subject to the approval of the Faculty Dean. This means that grades submitted by the instructor may be subject to revision. No grades are final until they have been approved by the Dean. Application to write a deferred final examination must be made at the Registrar’s Office.

**Final exam:** Failure to write the final examination when the student has achieved satisfactory performance during the term will result in a grade of ‘F’ until an appeal to write the deferred final exam is granted. A change of grade will be submitted when the deferred final exam has been written and the marks are available. See Academic Regulation 2.3 for the official meanings of the grades. Application to write a deferred final examination must be made at the Registrar’s Office in writing no later than three working days after the original final examination.

Students who are unable to complete term work on time, or unable to complete final assignments on time, must work with their instructor to obtain an alternative arrangement. The Registrar cannot defer term work and final term work. In all cases, formative evaluations providing feedback to the student should be replaced with formative evaluations. In the event the altered due date must extend beyond the last day of classes in the term, the instructor will assign a grade of zero for the work not submitted and submit the student’s earned grade accordingly; the instructor may submit a change of grade at a later date.

**Requests for Academic Accommodation:** You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

**Pregnancy obligation:** Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the [Equity Services website](http://carleton.ca/seo-e-proctoring/).
**Religious obligation:** Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the [Equity Services website](#).

**Academic Accommodations for Students with Disabilities:** If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. For more details, visit the [Paul Menton Centre website](#).

**Survivors of Sexual Violence:** As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and where survivors are supported through academic accommodations as per Carleton’s Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: [carleton.ca/sexual-violence-support](http://carleton.ca/sexual-violence-support).

**Accommodation for Student Activities:** Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, see [the policy](#).

For more information on academic accommodation, please contact the departmental administrator or visit: [students.carleton.ca/course-outline](http://students.carleton.ca/course-outline).