CONTACT INFORMATION

Professor: Raul Razo-Garcia
Office: A-804 Loeb Building
Course Website: The course web site will be hosted by cuLearn. All email communication will be conducted via the cuLearn facility.

COURSE INFORMATION

Lectures: Tuesdays and Thursdays 18:05-20:55
Location: Tory Building 446
Office Hours: Thursdays 4:30-5:30 pm; or by appointment (via cuLearn mail service)

Prerequisite: ECON 1000 or FYSM 1003 (Introduction to Economics) with a minimum grade of D-. 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). 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.


OVERVIEW OF THE COURSE:

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 phenomena. We will study 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. The following chapters will be covered from the textbook:

Chapter 1: The Global Macroeconomy.
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 8: Fixed Versus Floating: International Monetary Experience (only 8.1-8.3).
Chapter 9: Exchange Rate Crises: How Pegs Work and How They Break.

Disclaimer: I may make modifications/additions to the list of readings. Any such modifi-
cations will be announced in a timely fashion in class.

**Teaching Assistants:** If a teaching assistant is assigned to this class, she/he will hold weekly office hours (the time and location will be posted on [cuLearn](#)). In office hours the teaching assistant can discuss the solutions to the assignments and review material as a preparation for upcoming exams. Lectures move quickly. Office hours are a key part of learning the material.

**GRADING POLICY:**

Your final grade will be obtained as follows:

Final Grade=\( \text{MAX}\{\text{SCHEME A,SCHEME B}\} \) where SCHEME A and B are defined as follows:

**SCHEME A:**

- Assignment 1: 5% (May 25\textsuperscript{th})
- Assignment 2: 5% (June 13\textsuperscript{th})
- Midterm Exam: 40% (May 30\textsuperscript{th})
- Final Exam: 50% (during the June Exam Period as Scheduled by the University)

**SCHEME B:**

- Assignment 1: 5% (May 25\textsuperscript{th})
- Assignment 2: 5% (June 13\textsuperscript{th})
- Midterm Exam: 30% (May 30\textsuperscript{th})
- Final Exam: 60% (during the June Exam Period as Scheduled by the University)

**Assignments:** The assignments will consist of several questions and problems and must be submitted in person at the beginning of lecture on the due date. Late assignments will not be accepted and will receive a grade of zero. Students should retain some form of copy of each assignment when handing them in.

**Midterm:** If you miss the midterm it will be treated in two ways. First, you may provide written evidence from an authority explaining your absence (e.g. doctor’s note or police report, the documentation provided by students for missed midterm may be subject to verification). If you meet this condition you will receive the same rank-based score you earned on the final. Alternatively, absent written explanations, you will receive a zero for the midterm. You have until June 6\textsuperscript{th} to submit your document along the “Consent to Release Information to a Third Party” form (you can download this form from [cuLearn](#)). The midterm will cover all the topics discussed until and including May 25\textsuperscript{th}. Write your
midterm examination in pen or you lose the option of having any marking errors corrected.

Final: The final exam will cover all the chapters and material covered in class (i.e., cumulative). Failure to write the final examination when the student has achieved satisfactory performance during the term will result in a grade of ABS (“ABsent from a required final examination”). Application to write a deferred final examination must be made at the Registrar’s Office. The documentation provided by students for missed examination(s) may be subject to verification.

cuLearn: During the term, I will post on cuLearn lecture notes, problem sets, due dates, etc. I will also use cuLearn to make announcements and communicate with you the dates of the reviews for the examinations and the material covered in those. Students are responsible for regularly checking the course website to ensure that they are up to date with any announcements and have access to the documents posted.

Course Content Copyright: Student or professor materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s). Filming, recording or taking pictures of the material presented in lecture is not permitted.

Satisfactory Performance Criteria: Students must fulfil all of the preceding course requirements in order to achieve a passing grade (D- or higher). Failure to write the midterm examination (without a documented compelling reason) or failure to write the final examination (without a documented compelling reason) will result in a grade of FND (Failure with No Deferred final examination allowed). See Academic Regulation 2.3 for the official meaning of this and other grades, and note that it stipulates that no course grades are final until approved by the Faculty Dean.

Re-grading Policy: Any request for regrading exams must be submitted in writing within one week of that exam first being returned to the class. The request should contain a detailed explanation of why you feel you should receive a higher grade. Please note that I will regrade the entire exam not just the contentious question. As a result, the revised grade may be higher than, lower than or the same as the original grade.

Plagiarism: Please be aware that plagiarism is serious offence at Carleton and should be recognized and avoided. For further information on how to do so, please see “Pammett on Plagiarism and Paraphrasing.”

ACADEMIC ACCOMMODATIONS
You may need special arrangements to meet your academic obligations during the term. For an accommodation request the processes are as follows:

1. For Pregnancy: write to me 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.
2. **For Religious obligations:** write to me 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](#).

3. **For Students with disabilities:** Students with disabilities requiring academic accommodations in this course must register with the Paul Menton Centre for Students with Disabilities (PMC) for a formal evaluation of disability-related needs. Documented disabilities could include but are not limited to mobility/physical impairments, specific Learning Disabilities (LD), psychiatric/psychological disabilities, sensory disabilities, Attention Deficit Hyperactivity Disorder (ADHD), and chronic medical conditions. Registered PMC students are required to contact the PMC, 613-520-6608, every term to ensure that I receive your Letter of Accommodation, no later than two weeks before the first assignment is due or the first in-class test/midterm requiring accommodations. If you only require accommodations for your formally scheduled exam(s) in this course, please submit your request for accommodations to PMC by the deadlines published on the [PMC website](#).