Course Title: International Economics - Finance

Course Number: ECON 5633-104

Course Description: This course deals with the macroeconomic aspects of the theories and policies of international economics. We will have three related main topics: balance of payments, exchange rates, and macroeconomic policies in an open-economy context. In addition, we will examine the working mechanism of the foreign exchange market and various financial instruments.

A large portion of the class will be devoted to the following questions: What are the exchange rates (spot and forward rates), futures and options? What's the relationship between exchange rates and current account balances? What kind of economic policies can be used to influence the interest rate, exchange rate, national output level, price level, and current and financial account balances? During the process, we will build economic models and use these models to explain various real world phenomena. For example, the students will be frequently reminded of the last twenty years' economic situations, and monetary and fiscal policies. Other examples include the Mexican peso problem at the end of 1994 and early 1995, the more recent Asian, Latin American, and Eastern European and Russian economic and currency crises, the developing EU debt crisis, and the macroeconomic relationship of the U.S. with China.

Class Dates, Location and Hours:

Dates: August 3-5 & 10-12, 2012
Location: 3281 Sheridan Road, Fort Sill, Oklahoma
Hours: Fri 5:30-9:00 p.m., Sat 9:00 a.m.-5:00 p.m.; Sun 12:00-4:00 p.m.
Last day to enroll or drop without penalty: July 5, 2012

Site Director:
Anita Bailey. Phone: 580-355-1974; Fax: 580-442-2741. E-mail: apftsill@ou.edu

Professor Contact Information:

Course Professor: Zhen Zhu, Ph.D.
Mailing Address: University of Central Oklahoma
Department of Economics
College of Business
Edmond, OK 73034
Telephone Number: 405-321-8693
Fax Number: 405-974-3853
E-mail Address: zzhu@uco.edu
Professor availability: The professor will be available via e-mail to students before and after the class sessions. On-site office hours are half an hour before and after each class session, by appointment.
Textbook(s) and Instructional Materials:

Student materials are available at the Follett/AP Bookstore located in the Oklahoma Memorial Union, 900 Asp Ave., Norman, OK. Orders can be placed online at www.oklahomaunion.bkstr.com or by telephone at 866-369-9713 (toll free in the U.S.) or 405-325-5960 (outside the U.S.). E-mail orders may be sent to oklahomaunion@bkstr.com. Representatives are available from 8 a.m. to 6 p.m. CST Monday through Thursday and 8 a.m. to 5 p.m. CST on Friday. Summer hours: 8 a.m. to 4 p.m. CST. Faxed orders may be placed 24 hours a day to 866-223-5607 (toll free in the U.S.) or 405-325-7140 (outside the U.S.).


Note: The Follett/AP Bookstore is the Advanced Programs contractual textbook provider. Should text changes become necessary after publication of the course syllabus, Advanced Programs will facilitate text returns/refunds only for texts purchased through the Follett/AP Bookstore.

Course Objectives:

The student will be able to:

- Understand major international financial theories;
- Understand the consequences of macroeconomic policies in an open economy; and
- Analyze international financial issues using a simplified and unified framework.

Course Outline:

I. Introduction
   a. Chapter 1

II. National Income Accounting and Balance of Payments Account
   a. Chapter 12

III. Exchange Rates and Foreign Exchange Market
   a. Chapter 13

IV. Determination of Output, Exchange Rates and Prices in the Short Run and Long Run
   a. Chapters 14, 15, 16

V. Fixed Exchange Rate Systems and Foreign Exchange Intervention
   a. Chapter 17

VI. Comparison of Fixed and Floating Rate Systems
   a. Chapters 18 & 19

VII. Optimum Currency Areas and the European Experience
   a. Chapter 20

Assignments, Grading and Due Dates:

Final Exam: There will be a final exam.

Post Seminar Assignment: A term paper (15 pages at least) dealing with international financial issues will account for 30% of the course grade for satisfactory completion. Topics need to be discussed with and approved by the professor. Due Date: September 2, 2012

Grading: This is a letter-graded course: A, B, C, D, or F.

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<tr>
<th>Assignment</th>
<th>Due Date</th>
<th>Percent of Grade</th>
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<tbody>
<tr>
<td>Final Examination</td>
<td>Last day of class</td>
<td>70%</td>
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<tr>
<td>Post Seminar Assignment</td>
<td>September 2, 2012</td>
<td>30%</td>
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NOTICE: Failure to meet assignment due dates could result in a grade of I (Incomplete) and may adversely impact Tuition Assistance and/or Financial Aid.
POLICIES AND NOTICES

Attendance/Grade Policy

Attendance and participation in interaction, individual assignments, group exercises, simulations, role playing, etc. are valuable aspects of any course because much of the learning comes from discussions in class with other students. It is expected that you attend all classes and be on time except for excused emergencies.

Excused absences are given for professor mandated activities or legally required activities such as emergencies or military assignments. Unavoidable personal emergencies, including (but not limited to) serious illness; delays in getting to class because of accidents, etc.; deaths and funerals, and hazardous road conditions will be excused.

If you are obtaining financial assistance (TA, STAP, FA, VA, Scholarship, etc.) to pay all or part of your tuition cost, you must follow your funding agency/institution’s policy regarding “I” (Incomplete) grades unless the timeline is longer than what the University policy allows then you must adhere to the University policy.

Students who receive Financial Aid must resolve/complete any “I” (Incomplete) grades by the end of the term or he/she may be placed on “financial aid probation.” If the “I” grade is not resolved/completed by the end of the following term, the student’s Financial Aid may be suspended make the student ineligible for further Financial Aid.

Students are responsible for meeting the guidelines of Tuition Assistance and Veterans Assistance. See the education counselor at your local education center for a complete description of your TA or VA requirements.

Academic Honesty

Honesty is a fundamental precept in all academic activities and … [you] have a special obligation to observe the highest standards of honesty. Academic misconduct in any form is inimical to the purposes and functions of the University and is therefore unacceptable and is rigorously proscribed. Academic misconduct includes:

- cheating (using unauthorized materials, information, or study aids in any academic exercise), plagiarism, falsification of records, unauthorized possession of examinations, intimidation, and any and all other actions that may improperly affect the evaluation of a student’s academic performance or achievement; assisting others in any such act; or attempting to engage in such acts.

All acts of academic misconduct will be reported and adjudicated as prescribed by the student code of the University of Oklahoma. All students should review the “Student’s Guide to Academic Integrity” found at http://www.ou.edu/provost/integrity

Accommodation Statement

The College of Continuing Education [Advanced Programs] is committed to making its activities as accessible as possible. For accommodations on the basis of disability, please contact your OU Site Director.

Course Policies

Advanced Programs policy is to order books in paperback if available. Courses, dates, and professors are subject to change. Please check with your OU Site Director. Students should retain a copy of any assignments that are mailed to the professor for the course. Advanced Programs does not provide duplicating services or office supplies.

Copyright

Any and all course materials, syllabus, lessons, lectures, etc. are the property of professor teaching the course and the Board of Regents of the University of Oklahoma and are protected under applicable copyright.

For more information about Advanced Programs, visit our website at: http://www.goou.ou.edu/
INSTRUCTOR VITA

Zhen Zhu, Ph.D.

Education

1994 Ph.D. in International Economics, Macroeconomics, Econometrics, University of Michigan

Current Positions

Professor of Economics, University of Central Oklahoma

Frequently Taught Advanced Programs Courses

- ECON 5613 International Economics - Trade
- ECON 5633 International Economics - Finance

Major Areas of Teaching and Research Interest

- International Financial Market
- Energy Markets (especially natural gas markets)

Representative Publications and Presentations


Representative Honors and Awards Received

• McGraw-Hill/Irwin Distinguished Paper Award, Southwest Society of Economists, 2006
• Exemplary Service Award, UCO Economics Department, 2004
• Faculty Research Merit Award, UCO, 2003, 2007
• Distinguished Researcher of the Year, College of Business, UCO, 2002
• Research Fellow, Financial Research Institute, University of Missouri, 2001, 2002
• Hauptman Fellow for Research Excellence, UCO, 2001