

160B: International Macroeconomics

Lecture: T, Th 12:10-1:30 PM, Everson 176

Professor Bergin (1141 SSH) Office hours: T, Th 2:00-3:30 PM

T.A. Ju-Hyun Pyun (115 SSH) Office hours: M 1:00-2:00 PM, F 11:00AM-12:00

T.A. Hyung Suk Kim (113 SSH) Office hours: W, F 1:00-2:00 PM

Objectives: The goal is to understand what determines a country's exchange rate, trade balance, and national output. The first portion of the course will lay out several useful theories regarding these variables, and the second portion will help you assemble these theories into an overall analytical framework usable for policy analysis. The third portion of the course will challenge you to apply this analytical framework to several current and historical policy issues.

Prerequisites: The course will be taught at an intermediate level. Prerequisites are intermediate microeconomics (100 or 104) and intermediate macroeconomics (101 or 105).

Text: *International Macroeconomics* by R. Feenstra and A. Taylor, chapters 1-11.

Web Page: For lecture outlines, homework assignments, solution keys, calendar of due dates, and practice exams see: <http://www.econ.ucdavis.edu/faculty/bergin/ECON160B>

Outline of Topics:

- 1) Introduction to exchange rates (chapter 2)
- 2) The monetary approach to exchange rates (chapter 3)
- 3) The asset approach to exchange rates (chapter 4)
- 4) National and international accounts (chapter 5)
- 5) The gains from financial globalization (chapter 6)
- 6) Macroeconomic policies (chapter 7)
- 7) History of the international monetary system (chapter 8)
- 8) European monetary union (chapter 10)
- 9) Currency Crises (chapter 9)

Evaluation:

The course grade is based on 5 homework assignments, 1 midterm exam, and a comprehensive final exam. The overall score will be computed as whichever of the following is higher:

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| 1) 15% homework + 35% Midterm + 50% Final |
| 2) 15% homework + + 85% Final |

Exams are scheduled for the following dates. No makeup exams will be given.

Midterm	Thursday November 6, in class
Final	Tuesday December 9, 10:30AM-12:30PM