

160B: International Macroeconomics

Lecture: T,TH 12:10-1:30PM, Hunt 100
Professor Bergin Office hours: Wed 10:30-noon, Thurs 2:30-4:00, 1141 SSH
T.A. Kuk Mo Jung Office hours: Thurs 10:00-12:00, 117 SSH
Yuan Liu Office hours: Tues 10:00-12:00, 136 SSH

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) and intermediate macroeconomics (101).

Text: *International Macroeconomics* by R. Feenstra and A. Taylor, second edition.

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)
- 10) Current Topics (chapter 11, only if time permits)

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	Tuesday May 15, in class
Final	Wednesday June 13, 6-8PM, Hunt 100