

UNIVERSITY OF PENNSYLVANIA
SCHOOL OF ARTS AND SCIENCES
DEPARTMENT OF ECONOMICS

Econ 252 – International Economics
Fall 2016

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Office hours: Wed 1:30-3:30 or by appointment

Please use email to communicate with me. I do not look at the messages in Canvas.

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Office hours: Tues 2:00-4:00

Course hours: Tuesdays and Thursdays, 10:30am-12:00pm in McNeil 286-7

Objectives and Prerequisites

This course is an introduction to international macroeconomics. The theoretical background is used as a basis for discussion of policy issues. The course takes theoretical, empirical and historical approaches. Topics are foreign exchange markets, balance of payments, capital flows, financial crises, coordination of monetary and fiscal policy in a global economy.

Prerequisites: Economics 101 and 102, math 104, and Math 114 or Math 115

The LPS 200-level course **will not** count for Economics Majors unless you are officially registered as and LPS student.

Textbooks

Required: Krugman, P., M. Obstfeld and M. Melitz, *International Finance* (10th ed.). Prentice Hall, 2014

Optional: Feenstra, R. and Taylor, A., *International Macroeconomics* (3rd ed.). Worth Publishers, 2014

Recommended readings

Reinhart, C., K. Rogoff, *This Time is Different: Eight Centuries of Financial Folly*, Princeton University Press, 2009

Obstfeld M., A. Taylor, *Global Capital Markets: Integration, Crisis, and Growth*, Cambridge University Press, 2004

Grading

The final grade for the course will be based on homework assignments and exams. The worst homework assignment grade will be dropped. The final exam is cumulative.

Homework assignments	15%
Midterm I, September 29	25%
Midterm II, November 1	30%
Midterm III, December 8	30%

Courses taught in the Department of Economics are covered by a common set of course management policies. Registering for this course means that you will follow these policies.

See, Departmental Policies for Undergraduate Economics Courses

<https://economics.sas.upenn.edu/undergraduate-program/course-information/guidelines/policies>

The Department's guideline for the distribution of grades will also be followed:

00-30% grades: A or A-

40-50% grades: B+, B, or B-

20-30% grades: C+ or below

Outline of the course

Introduction to international macroeconomics

Income accounting

Exchange rates

Money and foreign exchange markets

Exchange rates in the long run

Exchange rates in the short run

Fixed exchange rates

History of international monetary systems

International capital markets

European Monetary Union

Developing countries: Growth, crisis and reform
