



**AMERICAN
UNIVERSITY OF BEIRUT**

FACULTY OF ARTS & SCIENCES

DEPARTMENT OF ECONOMICS
FALL 2024-2025

Economics 236/336
Course Syllabus

I General Course Information

Course Number: ECON 236/336

Course Title: International Finance

Number of Credits: 3 credits

Course Level: Undergraduate and graduate

Course Format: Lectures

Pre-requisite Courses: ECON 217 and ECON 227

Meeting Schedule: Tuesdays and Thursdays from 11:00 am - 12:15 pm

Meeting Location: Nicely Hall Room 323

II Course Coordinator

Name: Nadine Yamout

Office Location: Ada Dodge Hall Room 237

Office Hours: Tuesdays and Thursdays 10:00 am - 11:00 am or by appointment

Extension: +961 1 350000 Ext 4070

Email: ny40@aub.edu.lb

You should feel free to contact me about any academic matter. I strongly encourage you, for efficiency reasons, that you make any enquiries about the subject material at lectures, during office hours or via the online discussion forum on Moodle. Email correspondence on administrative matters will generally be answered within 24 hours.

III Course Description

This course studies issues in international economics and finance from a macroeconomic perspective. It is international because a deeper exploration of the interconnections among nations is essential to understand how the global economy works. It is macroeconomic because it focuses on key economy wide-variables such as exchange rate, prices, interest rates, income, wealth and the current account. The course develops a framework to analyze issues of importance to interdependent countries interacting in this globalized world. We will address three broad questions: How are goods traded between countries and why do exchange rates matter, and what

explains their behavior? Why do countries borrow from and lend to each other, with what effects and how to account for these interactions? How do government policy choices affect macroeconomic and international outcomes? Topics covered in this course include national income accounting and the balance of payments; exchange rates and the foreign exchange markets; exchange rate policy; macroeconomic policy coordination; developing countries and the problem of debt; and the global capital market.

IV Course Learning Outcomes

The course learning outcomes are what you will be able to do by the end of this course if you participate fully in learning activities and successfully complete the assessment items. Upon the successful completion of this course, you will be able to:

- CLO1. Demonstrate knowledge and understanding of basic theoretical concepts such as exchange rates, interest rates and capital movements in an international setting;
- CLO2. Understand the main conceptual frameworks used by economists to understand international macroeconomic policy
- CLO3. Critically analyze and explain the economic linkages between different countries: their currencies, their capital flows, and their trade imbalances;
- CLO4. Understand current international macroeconomic events and analyze the behavior of the global economy;
- CLO5. Assess the economic, political and social implications of international macroeconomic policies.

V Program Learning Outcomes Addressed

The course addresses the following program learning outcomes:

- PLO3. Apply macroeconomic theory to interpret and address economic issues, including the evaluation of government policies and their impacts on society.
- PLO4. Source and analyse economic data using appropriate statistical, mathematical, and econometric techniques.
- PLO6. Communicate complex economic data and concepts in a manner that is accessible to a diverse audience.
- PLO7. Develop well-informed perspectives on economic policies while critically evaluating their implications across social, cultural, and institutional boundaries.

VI Course Resources and References

The website for this course is on AUB Moodle at: <https://lms.aub.edu.lb/>

The textbook for this course is *International Macroeconomics (5th Edition)*, by Robert C. Feenstra and Alan M. Taylor ISBN 978-1319218423. (F & T)

VII Course Outline

Week	Date	Topic	Learning Activities	Alignment with CLOs
1	Tues. 27/08/2024 Thurs. 29/08/2024	The Global Macroeconomy		CLO1
2	Tues. 03/09/2024 Thurs. 05/09/2024	Exchange Rates and FX Markets	Tutorial 2	CLO1, CLO2
3	Tues. 10/09/2024 Thurs. 12/09/2024	Monetary Approach in the Long Run	Tutorial 3	CLO1, CLO2
4	Tues. 17/09/2024 Thurs. 19/09/2024	Monetary Approach in the Long Run (Cont.)	Tutorial 4	CLO1, CLO2
5	Tues. 24/09/2024 Thurs. 26/09/2024	The Asset Approach in the Short Run	Tutorial 5	CLO1, CLO2
6	Tues. 01/10/2024 Thurs. 03/10/2024	Income, Wealth, and the BoP	Tutorial 6 Assignment 1	CLO1, CLO3
7	Tues. 08/10/2024 Thurs. 10/10/2024	Midterm Exam	60 minutes exam	CLO1, CLO2, CLO3
8	Tues. 15/10/2024 Thurs. 17/10/2024	The Gains from Financial Globalization	Tutorial 8	CLO1, CLO3
9	Tues. 22/10/2024 Thurs. 24/10/2024	Output, Exchange Rates, and Policy	Tutorial 9	CLO1, CLO2, CLO3
10	Tues. 29/10/2024 Thurs. 31/10/2024	Fixed Versus Floating: Monetary Experience	Tutorial 10	CLO1, CLO3
11	Tues. 05/11/2024 Thurs. 07/11/2024	How Pegs Work and How They Break	Tutorial 11	CLO1, CLO2
12	Tues. 12/11/2024 Thurs. 14/11/2024	Topics in International Macroeconomics	Tutorial 12 Assignment 2	CLO1, CLO2, CLO3
13	Tues. 19/11/2024 Thurs. 21/11/2024	Case Study Presentations	In-class presentations	CLO4, CLO5
14	Tues. 26/11/2024 Thurs. 28/11/2024	Case Study Presentations	In-class presentations	CLO4, CLO5

Learning and Teaching Approach

The examinable content of the course is defined by the references given in the course outline and the content of lectures and tutorials.

Lectures:

Our textbook is *International Macroeconomics (5th Edition)*, by Robert C. Feenstra and Alan M. Taylor. We shall cover one or two topics each week (see details below), and complement the material with some examples and applications in class. You are expected to read the relevant sections of the textbook before the lecture.

Tutorial Questions:

Each week I will post some tutorial questions that review and build-on the lecture material. These are available to you for self-study and are intended to provide applications and examples of economic concepts and models introduced in the lectures. I will post the solutions to these tutorial questions a week after. Ideally, you should

attempt the tutorial questions before the solutions become available and raise any issues or problems that you might have through the online discussion forum on Moodle.

Out-of-Class Study:

While you may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time. Lectures can only provide a structure to assist your study as the lecture time is limited. An “ideal” strategy (on which the provision of the course materials is based) might include:

- reading of the relevant chapter(s) of the textbook before the lecture. This will give you a general idea of the topic area.
- attendance at lectures. Here the context of the topic in the course and the important elements of the topic are identified. The relevance of the topic is also explained.
- organizing study groups to review material and solve tutorial problems.

VIII Grading Criteria

Type of Evaluation	Percentage	Length	Due Date
Assignments (×2)	10%	~ 500 words	Multiple weeks (refer to course schedule)
Case Study Presentation	15%	25 minutes	Multiple weeks (refer to course schedule)
Midterm Exam	30%	60 minutes	Thursday, 10 October 2024
Final Exam	45%	120 minutes	University exam period

Assignments:

There will be two assignment consisting of data extraction and analysis questions each worth 5% of your final course grade. The first assignment will be due on Tuesday 1 October 2024 while the second assignment is due on Tuesday 12 November 2024. You are encouraged to work in small groups to complete the assignments and to submit the assignment as a group. All members of the group will be given the same mark. No more than three students may submit an assignment as a group. Of course, you may choose not to work in a group and submit an assignment on your own. No two groups may hand in the same assignment. Assignments must be submitted in electronic format by one group member via the Moodle assignment submission tool. You will be required to submit these assignments in electronic form by 11:59 pm on the due date.

Case Study Presentation:

There will be one group case study presentation worth 15% of your final course grade. All group presentations will take place on weeks 13 and 14 of this course (refer to course schedule). Students will split into groups of 3 members each by the second week of the semester. Each group will choose a case study in international macroeconomics to present to class. Presentation slides will be due on 18 November 2024 and the in-class presentations will follow.

Midterm Exam:

A 60 minutes midterm exam is scheduled for Thursday 10 October 2024 (week 7) during class time. The exam is worth 30% of your final course grade and will cover material from weeks 1-5. Anything covered in the lectures and tutorial questions is examinable.

Final Exam:

A 120 minutes final exam is scheduled during the university exam period. The exam is worth 45% of your final course grade and will cover material from the whole course, although focusing mostly on material since the midterm exam. Anything covered in the lectures and tutorial questions is examinable.

IX Course Policies

Attendance Policy

Attendance is expected for all lectures and absences should be kept to a minimum. Students who miss more than one-fifth of the sessions of any course prior to the withdrawal deadline can be withdrawn from the course by the instructor.

You are highly encouraged to attend the lectures and participate in discussions in class. You must be present during specific lectures for the group presentations.

Credit Hour Policy

This course follows AUB Credit Hour Policy for three-credit courses. This course meets twice weekly for 3 academic hours per week.

Final Examination

Please note that students are expected to be on-campus and available to take a final examination for any of their courses at anytime during the final examination period. For the current term, the final examination period runs between 03/12/2024 and 14/12/2024. Students and professors will be notified of the final examination schedule being posted on the [Office of the Registrar](#) website as soon as feasible after the change of schedule period (drop and add).

Makeup Policy

If you experience short-term circumstances beyond your control, such as illness, injury or misadventure which do not enable you to sit for the exams please let me know. You would need to present a valid medical excuse from AUBMC or the AUB infirmary. Any other excuse is NOT valid. If no valid excuse is presented, you will receive a grade of zero on the missed exam.

Note that there will be no makeup midterm exam. If you miss the midterm exam AND have a valid excuse, the final course grade will be based on your grades in the assignments, group presentation and final exam.

Group Work

I strongly recommend that students form study groups with other people. One of the main reasons why I included assignments as part of the course assessments is precisely the fact that you get to work on economics problems with other people, you discuss with them, and learn from the intuition of others.

Policy on Personal Computers/Tablet:

You are welcome to bring your own laptop or tablet to class. The use of such devices should be restricted to taking notes and to course-related activities.

X University Rules and Regulations:

General Academic Information

- [Undergraduate Academic Information](#)
- [Graduate Academic Information](#)

University - Course Withdrawal Policy

A student can withdraw from only one required course per semester. Students who wish to withdraw from more than one required course in any given semester must petition the appropriate faculty committee for permission to do so.

Check Withdrawal Information from [undergraduate](#) and [graduate](#) catalogue.

Academic Integrity (cheating and plagiarism)

Please refer to [AUB Student Code of Conduct](#), in particular section 1.1, which concerns academic misconduct including cheating, plagiarism, in-class disruption, and dishonesty. Please be aware that misconduct is vigorously prosecuted and that AUB has a zero tolerance policy. Course policy is that credible evidence of cheating will result in course failure.

Accessibility Statement to Acknowledge the Unique Learning Needs of Students with Disabilities

AUB strives to make learning experiences as accessible as possible. If you anticipate or experience academic barriers due to a diagnosed disability (including learning disability, mental health, chronic or temporary medical conditions), please contact the [Accessible Education Office](#) as soon as possible in order to help establish reasonable accommodations and facilitate a smooth learning process: accessibility@aub.edu.lb; +961-1-350000, x3151; West Hall, 338.

Non-Discrimination and Title IX Statement

In line with its commitment to the principle of equal opportunity in education and employment, AUB policies protect you from discrimination on the basis of protected characteristics, including discriminatory harassment and sexual harassment. Protected characteristics include: race, color, religion, age, national or ethnic identity, sex, gender or gender identity, sexual orientation, pregnancy, marital status, disability, genetic predisposition or carrier status, alienage or citizenship status, and political affiliation.

The policies are applicable to all the AUB Community including: officers, faculty, staff, academic appointees, students (including medical interns and residents), visiting students, alumni, trainees, visitors, contractors, subcontractors, suppliers, located on campus and at AUB Medical Center, Advancing Research Enabling Communities Center (AREC), or any other facility or program affiliated with the University. The AUB community also includes the dependents and domestic employees of faculty and staff dwelling on campus and at AREC.

If you think you have experienced discrimination, discriminatory harassment, or sexual harassment, we encourage you to inform the Equity/Title IX Coordinator, Mitra Tauk at 01-350000 ext. 2514, titleix@aub.edu.lb, report to a Title IX deputy at your faculty or at any other faculty (www.aub.edu.lb/titleix), or report online (www.aub.ethicspoint.com). Reports may be submitted anonymously or not. Please know that the University will maintain the confidentiality of the complaint and privacy of the persons involved to the greatest extent possible, consistent with its goal of conducting a thorough and complete investigation and to the extent permitted by law.

You need to also know that the University has designated academic and administrative department/unit heads, managerial level staff, academic advisors, protection officers, and residence hall staff/monitors, as responsible employees or mandatory reporters, and may designate others at its discretion. These individuals are obligated to report actual or suspected discrimination or discriminatory harassing conduct to the Equity/Title IX Coordinator, unless they are a confidential resource. The following have been designated as confidential resources: on campus counselors in the Counseling Center of the Office of Student Affairs and AUB Medical Center counselors, and healthcare providers at the University Health Services (UHS) and at the AUB Medical Center. Confidential resources are not required to report actual or suspected discrimination or harassment to appropriate university officials, except in cases of suspected abuse of a minor, in the event of an external investigation or prosecution, or in the event of imminent danger to the reporting party or others.

XI AUB Grading System

<https://www.aub.edu.lb/Registrar/Pages/academic-information.aspx>

Numeric Course Grade to Letter Course Grade

Starting with Numeric Course Grade /100	Corresponding Course Letter Grade
< 60	F
60	D
61-62	D+
63-65	C-
66-68	C
69-71	C+
72-74	B-
75-78	B
79-82	B+
83-86	A-
87-92	A
93-100	A+

Grade Conversion Chart

Course Letter Grade	Quality Points
A+	4.3
A	4.0
A-	3.7
B+	3.3
B	3.0
B-	2.7
C+	2.3
C	2.0
C-	1.7
D+	1.3
D	1.0
F	0.0

Note: The GPA at AUB is capped at 4.0

I	P	PR	W	NP
Incomplete	Pass	In Progress	Withdraw	No Pass

Course Schedule

Week	Date	Topic	Readings	Assessments	Tutorials
1	Tues. 27/08/2024	The Global Macroeconomy	F & T, Ch. 1		
	Thurs. 29/08/2024				
2	Tues. 03/09/2024	Exchange Rates and FX Markets	F & T, Ch. 2	Assignment 1 posted	T2 Qs posted
	Thurs. 05/09/2024				
3	Tues. 10/09/2024	Exchange Rates I: The Monetary Approach in the Long Run	F & T, Ch. 3		T2 As posted, T3 Qs posted
	Thurs. 12/09/2024				
4	Tues. 17/09/2024	Exchange Rates I: The Monetary Approach in the Long Run (Cont.)	F & T, Ch. 3		T3 As posted, T4 Qs posted
	Thurs. 19/09/2024				
5	Tues. 24/09/2024	Exchange Rates II: The Asset Approach in the Short Run	F & T, Ch. 4		T4 As posted, T5 Qs posted
	Thurs. 26/09/2024				
6	Tues. 01/10/2024	National and International Accounts: Income, Wealth, and the BoP	F & T, Ch. 5	Assignment 1 due	T5 As posted, T6 Qs posted
	Thurs. 03/10/2024				
7	Tues. 08/10/2024	Revision and Q&A for Midterm Exam			
	Thurs. 10/10/2024	Midterm Exam		60 minutes exam	
8	Tues. 15/10/2024	Balance of Payments I: The Gains from Financial Globalization	F & T, Ch. 6		T6 As posted, T8 Qs posted
	Thurs. 17/10/2024				
9	Tues. 22/10/2024	Balance of Payments II: Output, Exchange Rates, and Policy	F & T, Ch. 7	Assignment 2 posted	T8 As posted, T9 Qs posted
	Thurs. 24/10/2024				
10	Tues. 29/10/2024	Fixed Versus Floating: International Monetary Experience	F & T, Ch. 8		T9 As posted, T10 Qs posted
	Thurs. 31/10/2024				
11	Tues. 05/11/2024	Exchange Rate Crises: How Pegs Work and How They Break	F & T, Ch. 9		T10 As posted, T11 Qs posted
	Thurs. 07/11/2024				

Week	Date	Topic	Readings	Assessments	Tutorials
12	Tues. 12/11/2024	Topics in International Macroeconomics	F & T, Ch. 11	Assignment 2 due	T11 As posted, T12 Qs posted
	Thurs. 14/11/2024				
13	Tues. 19/11/2024	Case Study Presentations		In-class presentations	T12 As posted
	Thurs. 21/11/2024			In-class presentations	
14	Tues. 26/11/2024	Case Study Presentations		In-class presentations	
	Thurs. 28/11/2024	Revision and Q&A for Final Exam			
Reading Period	29/11/2024 - 02/12/2024				
Exam Period	03/12/2024 - 14/12/2024	Final exam		120 minutes exam	