

# International Finance (Econ 4423)

University of Colorado Spring 2013

Course meets Tuesday and Thursday, 10:30-11:45 pm in Hellems 267

Professor: Bill Craighead

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Office hours: Tuesdays 2:00-3:00; Wednesdays 1:00-2:30 pm; and by appointment

International Finance examines the macroeconomic implications of openness, the ability of countries to borrow from and lend to each other. It is sometimes referred to as open economy macroeconomics. Important issues include determinants of the value of a country's money relative to others (i.e., exchange rates), choice of fixed versus floating exchange rates, and international exchange rate and debt crises.

The required textbook for the course is *International Macroeconomics* (2<sup>nd</sup> ed) by Robert Feenstra and Alan Taylor (Worth Publishers). The textbook is written and provides many interesting illustrations and it will be an excellent complement to class lectures. The course will not closely follow the textbook, however, so reading it will be a poor substitute for class attendance. Other readings will be available via library reserve or Desire2Learn (D2L).

The prerequisite for the course is Econ 3080 (*Intermediate Macroeconomic Theory*), and, by extension, calculus. The course will assume some familiarity with economic concepts and the lectures, problem sets and exams will make use of algebra and calculus.

Approximately 4-7 problem sets will be assigned during the semester. Students may work together, but must turn in individually.



- F. Norris, "Switzerland's Battle to Suppress the Franc Exacts a Price," *New York Times*, June 22, 2012
- N. Gregory Mankiw, "The Trilemma of International Finance," *New York Times*, July 10, 2010
- d. China's Foreign Exchange Intervention
- J. Fallows, "The \$1.4 Trillion Question," *Atlantic Monthly*, Jan.-Feb. 2008
- P. Krugman, "Taking on China," *New York Times*, Mar. 14, 2010
- J. Stiglitz, "No Time for a Trade War," *Project Syndicate*, April 6, 2010
- D. Leonhardt, "As China's Currency Rises, U.S. Keeps Up Its Pressure," *New York Times*, Feb. 15, 2012