



THE UNIVERSITY OF THE WEST INDIES
ST. AUGUSTINE, TRINIDAD AND TOBAGO, WEST INDIES

1 GENERAL INFORMATION SUMMARY

Course title	INTERNATIONAL FINANCE
Course code	ECON 3007
Course proposer	DEPARTMENT OF ECONOMICS
Course type	ELECTIVE
Level	YEAR 3
Semester in which course will be offered:	SEMESTER 2
Course Provider	DEPARTMENT OF ECONOMICS
Credits	3
Pre-requisites	ECON 2002, ECON 2003
Teaching Methods	<ul style="list-style-type: none">• Lectures• Tutorials
Estimated Study Hours	Hours/week: <ul style="list-style-type: none">• Lectures: 2• Tutorials: 1• Independent Study (reading, revising, etc.): 15• Online: 15
Total no. of assessments	2
Instructor information	Name of instructor(s): Dr. Roger Hosein, Ms. Rebecca Gookool Office address and phone: Room 218 Social Sciences E-mail address: Roger.Hosein@sta.uwi.edu Phone Contact: 662-2002 ext 83041 Office hours: To be announced Communication policy – The preferred method of communication is via email

2 COURSE OVERVIEW

2.1 Course Description

This course examines the basic theories and concepts of international finance and open economy macroeconomics. The materials will be delivered via a series of face to face lectures and supported by structured tutorials. Topics include, foreign exchange market, exchange rate determination, balance of payments, interest and exchange rate arbitrage, speculation and hedging. Macroeconomic policy dynamic under fixed and flexible exchange rates in an open economy will also be discussed. The course will be assessed via an in-course mid-term and a final examination. The mid-term assessment will account for 20% of the overall course grade.

International monetary and financial theory is a course that is no doubt aligned to the Department's mission of delivering quality teaching of the economics of development for small island states as it focuses the case study aspect of the course on such economies. Even further than this it is expected that the mode of the delivery of the course material would allow for healthy discussions on region specific issues as it applies to the course.

2.2 Rationale

This course is designed to introduce students to the macroeconomic workings of the monetary and financial systems of an economy by exposing them to the practical interaction of theory via the case studies discussed in the classroom. Indeed such a course which is regional in scope is practical and useful to young economists in developing their knowledge base of the region.

This is a third year undergraduate course and is geared to those students who have a general interest and affinity for international economics.

2.3 Aims/Goals

To equip students with an adequate set of tools; theoretical and practical to understand international economics especially as it relates to Caribbean economies.

2.4 Learning Outcomes/Objectives

At the end of this course, the students will be able to:

1. Demonstrate an appreciation for international economics issues as it affects the Caribbean development.
2. Demonstrate an appreciation for discussions on finance and trade related challenges facing the Caribbean region.

2.5 Learning Outcomes Guide

Upon successful completion of ECON 3007, students will be able to:	Cognitive Domain	Psychomotor Domain	Affective Domain
Demonstrate an appreciation for international economics issues as it affects the Caribbean development.	Application Analysis	Articulation	Valuing
Demonstrate an appreciation for discussions on finance and trade related challenges facing the Caribbean region.	Application Analysis	Articulation	Valuing

2.6 Course-to-Programme Learning Outcomes Checklist

Programme Level Learning Outcomes At the end of the programme students will be able to:	LOs applicable to Course ECON 3007
Knowledge Level	Students will be able to recall and reproduce the material they have been exposed to.
Skill/Competence Level	Students will be able to interpret the material they have been exposed to.
Professional Competence/Attitude/Personal Characteristics/Affect	Students will be able to apply the theories to specific case studies and current Caribbean realities.

3 COURSE ASSESSMENT

LINKAGE OF ASSESSMENT METHODS TO LEARNING OUTCOMES

Assessment Method	Learning Outcomes		Weighting %	Assessment Description
	LO1	LO2		
Coursework project	✓	✓	25 %	Students will be required to undertake a series of short answer questions which apply to local and regional issues
Final Examination Essays	✓	✓	75%	Students will be required to sit a final exam which will cover the entire content of the course; number of questions to be determined by lecturer.

Coursework Assessment

1. Discuss 5 potential negative implications of the termination of the Sandals project for the economy of Tobago.

Due 8th February 2019

2. Discuss 5 potential implications of the closure of the Petrotrin refinery for T&T's Balance of Payments position.

Due 22nd February 2019

3. Discuss 5 potential implications for the T&T economy of Guyana's recent oil discoveries and plans for commercialization of the same by 2020.

Due 8th March 2019

4. What is an internal devaluation? What are the economic consequences of an internal devaluation? Use the T&T economy over the period 2010 to present as the case study.

Due 22nd March 2019

5. Does the Phillips curve logic hold in the T&T economy over any of the defined time periods; 2000-2018, 2000-2008, 2009-2018?

Due 12th April 2019

Guidelines for submission

Font: Times New Roman, pitch 12

Line Spacing: Single Line Spacing

4 TEACHING METHODS

Method	Description
Face-to-Face Lectures	The main mode of teaching will be via face-to-face lectures. Cases and group discussions will also be used. Short answer questions will be used as an in-course assessment mode.
Tutorials	Tutorial sessions provide further clarification on course content

5 COURSE CALENDAR

Topic	Reading	Week
Review of open economy macroeconomics	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 14, 19 pgs 395-421, 560-596 International Economics 4 th ed; Alan Winters (1991) chapters 18, 19, 24, pgs 245-268, 269-288 343-259	2

Review of Balance of Payments	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 13 pgs 367-394. The International Economy 3 rd ed Kenen P. B (1994) Chapters 12, 13,14, (pgs 301-375). International Economics 4 th ed; Alan Winters (1991) chapter 17, 237-253.	3
The Markets for Currencies	The World Economy: Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001), Chapter 12 pgs 336-365.	4
International Financial Markets	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 20 pgs 597-635	5
Exchange Rate Determination	International Economics 4 th ed; Alan Winters (1991) chapters 22, 23, 26 pgs 312-342, 374-394	6
Inflation, Interest Rates and Exchange Rates	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 18 pgs 529-531 The International Economy 3 rd ed Kenen P. B (1994) Chapters 15,16, (pgs 376-398)	8
Macroeconomic Policy with Fixed Exchange Rates	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 16 pgs 465-500 Fleming J. M. 'Domestic Financial Policies under Fixed and Floating exchange Rates' IMF Staff Papers 9 (November 1962) 369-380	9
Macroeconomic Policy with Flexible Exchange Rates	The World Economy; Trade and Finance 6 th ed; Yarbrough and Yarbrough (2001) Chapter 17 pgs 500-528 Fleming J. M. 'Domestic Financial Policies under Fixed and Floating exchange Rates' IMF Staff Papers 9 (November 1962) 369-380	10
Aggregate demand and supply in the Open Economy	International Economics: Appleyard, Field and Cobb 5 th ed.: Chapters 25-27 pgs 615-690. The World Economy; Trade and Finance 7 th ed; Yarbrough and Yarbrough (2006) Chapter 19 pgs 620-657	11
Macroeconomics of development	The World Economy; Trade and Finance 7 th ed; Yarbrough and Yarbrough (2006) Chapter 21 pgs 705-734	12
Review and recap		13

6 READINGS/RESOURCES - ONLINE AND PRINT

Required Text:

The World Economy; Trade and Finance 6th ed; Yarbrough and Yarbrough (2001)

Trade Investment and Development in the Contemporary Caribbean
Bhoendradatt Tewarie and Roger Hosein, Ian Randall Publishers, (2007).

Supplemental Texts

The International Economy 3rd ed Kenen P. B (1994)

International Economics; Theory and Practice. Krugman P. R, Obstfeld , M (1994).

International Economics 4th ed; Alan Winters (1991)

Other

Readings/Lecture notes will be provided to the class

7 POLICIES

ADDITIONAL INFORMATION

19 “Any candidate who has been absent from the University for a prolonged period during the teaching of a particular course for any reason other than illness or whose attendance at prescribed lectures, classes, ... tutorials, ... has been unsatisfactory or who has failed to submit essays or other exercises set by his/her teachers, may be debarred by the relevant Academic Board, on the recommendation of the relevant Faculty Board, from taking any University examinations. The procedures to be used shall be prescribed in Faculty Regulations.”

“97. (i) Cheating shall constitute a major offence under these regulations.
(ii) Cheating is any attempt to benefit one’s self or another by deceit or fraud.
(iii) Plagiarism is a form of cheating.
(iv) Plagiarism is the unauthorized and/ or unacknowledged use of another person’s intellectual effort and creations howsoever recorded, including whether formally published or in manuscript or in typescript or other printed or electronically presented form and includes taking passages, ideas or structures from another work or author without proper and unequivocal attribution of such source(s), using the conventions for attributions or citing used in this University.

103. (i) If any candidate is suspected of cheating, or attempting to cheat, the circumstances shall be reported in writing to the Campus Registrar. The Campus Registrar shall refer the matter to the Chairman of the Campus Committee on Examinations. If the Chairman so decides, the Committee shall invite the candidate for an interview and shall conduct an investigation. If the candidate is found guilty of cheating or attempting to cheat, the Committee shall disqualify the candidate from the examination in the course concerned, and may also disqualify him/her from all examinations taken in that examination session; and may also disqualify him/her from all further examinations of the University, for any period of time, and may impose a fine not exceeding Bds\$300.00 or J\$5000.00 or TT\$900.00 or US\$150.00 (according to campus). If the candidate fails to attend and does not offer a satisfactory excuse prior to the hearing, the Committee may hear the case in the candidate’s absence.”

- **Attendance policy**

In accordance with University of the West Indies General Examination Regulations and Faculty of Social Sciences Regulations, students who attain less than 75% of lecture or tutorial attendance may be debarred from writing the final examination.

- **Grading System**

GRADE	GPA	MARKS %
A+	4.3	90-100
A	4.0	80-89
A-	3.7	75-79

B+	3.3	70-74
B	3.0	65-69
B-	2.7	60-64
C+	2.3	65-59
C	2.0	50-54
F1	1.7	45-49
F2	1.3	40-44
F3	0	0-39

January 2019