

## ECON3620 International Macroeconomics

Term 2, 2021-22

### Instructor

Dr. Cheuk Yin Ho

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Office location: ELB1002

Office hours: Wed 13:00-13:50, Thu 13:00-13:50

### Teaching Assistants

Bu Jing
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Office Hour: Fri 14:40 – 15:30
Location: ELB1016
Guo Keyi
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Office Hour: Thu 15:30 – 16:20
Location: ELB1017

### Lectures

Mon 13:30 – 14:15 YIA LT4
Wed 14:30 – 16:15 ELB LT1

### Tutorials

TAs will conduct tutorials to go through problem sets and solutions of assignments in week 5, 9, 12, 15. The meeting time and venue of tutorials will be announced later.

### Course Description

The main topics of this course are: international financial markets, the determination of exchange rates, the relation between exchange rates and inflation, and monetary and fiscal policy under flexible and fixed exchange rates. This course gives students frameworks and analytical tools to think about these topics and apply them to the real world. It will also touch on a number of relevant current issues. Students should have knowledge of elementary differential calculus, and are advised to take ECON2011 and ECON2021 before taking this course.

### Learning Outcomes

Upon successful completion of the course, students should be able to understand some simple causal relationships between international macroeconomic events and the reasons why some policies can or cannot be used to deal with some economic problems.

### **Honesty in Academic Work**

Students must observe the University's policy on Honesty in Academic Work

<http://www.cuhk.edu.hk/policy/academichonesty/>

### **Readings**

Krugman, P., Obstfeld M. and Melitz M. (2018). International Economics: Theory and Policy, Pearson, 11<sup>th</sup> edition. (KM)

Brunnermeier, M. and Reis R. (2019) A Crash Course on the Euro Crisis. NBER working paper 26229. (BR)

### **Course Requirements**

Students are expected to read the textbook chapters and lecture slides before class and attend all lectures and tutorials. The instructor explains important concepts with examples for each topic. To help students get familiar with the materials, some practice questions are assigned for discussions after finishing each topic.

### **Assessment Scheme**

<b>Type of Assessment</b>	<b>Weighting</b>	<b>Description</b>
Assignment	15%	2 assignments, equally weighted
Final Exam	85%	Centrally scheduled by the university

### **Syllabus**

	<b>Topic</b>	<b>Readings</b>
1	National Income Accounting and the Balance of Payments	KM Ch.13
2	Exchange Rates and the Foreign Exchange Market: An Asset Approach	KM Ch.14
3	Money, Interest Rates, and Exchange Rates	KM Ch.15
4	Price Levels and the Exchange Rate in the Long Run	KM Ch.16
5	Output and the Exchange Rate in the Short Run	KM Ch.17
6	Fixed Exchange Rates and Foreign Exchange Intervention	KM Ch.18
7	International Monetary System: An Historical Overview	KM Ch.19
8	The Euro and Eurozone Crisis	BR