1. INTRODUCTION

This course surveys international macroeconomics, with special reference to international monetary policy and international financial market architecture. Topics include the structure of international financial markets; the role of central banks; exchange-rate systems; the determination of balance of payments and exchange rates; macroeconomics of open economies; policy analysis for open economies; policy coordination; the International Monetary Fund; and financial crises.

The aim of this course is to provide an analytical background for those who plan to go into government service, international organizations and agencies, businesses involved in the global economy, nongovernmental organizations with international foci, and consulting firms analyzing international policy issues.

Only those who are comfortable with algebraic and graphical analysis should enroll in this course. It requires sustained immersion in relevant economic theory, and does not present a primarily descriptive or historical approach.

2. OFFICE HOURS

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Office Hours: TuTh 1-2
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e-mail: mchinn@lafollette.wisc.edu

Updated information will be posted on the course website, http://www.ssc.wisc.edu/~mchinn/web854_f14.html, and at Learn@UW for restricted material.

3. SCHEDULE AND READINGS

The textbook is Caves, Frankel and Jones, World Trade and Payments, 10th Edition (Addison-Wesley Longman, 2006) available at the University Bookstore. Alternate textbook readings from Chinn-Irwin International Economics [draft], online at Learn@UW. Additional required readings will be assigned during the semester from the Web. You will also be expected to read news articles related to current events, in either Reuters, Bloomberg, New York Times or the Economist. In addition, I will refer to the following weblog for current macroeconomic commentary: http://www.econbrowser.com.
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### Web Required Readings

- **Elast.**: Notes on the Elasticities Approach
- **ADAS**: Notes on AD/AS
- **PPP**: Notes on PPP
- **CCLM**: Notes on CC-LM
- **Bub**: Notes on Bubbles

### 4. GRADING

Letter grading is determined as follows:

- 10% Problem sets
- 50% Two midterm exams (25% each)
- 40% Term paper

There will be no make-up midterm exams. Missed midterm exams will increase accordingly the
weight assigned to the other midterm and the term paper. Assignments will be handed into me in 
lecture on the indicated date. Late assignments will not be accepted for credit. Although the problem 
sets do not constitute a large portion of the grade, I strongly encourage you to do the assignments in 
a timely and serious fashion. The problem sets provide valuable information regarding your grasp of 
the concepts.

5. THE TERM PAPER

A 15 page term paper will be due at the end of the semester. The paper will be structured as a memo 
written for a policymaker. You will have latitude in terms of the choice of topic. However, I will be 
able to give you more guidance on certain topics than others. Additional details regarding this 
assignment, along with suggested readings, will be provided later in the term.