Instructor: Ralph O. Gunderson
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Office Hours: Mon, Wed, Fri 9:15 – 10:30am
Textbook: *International Macroeconomics*, by Robert C. Feenstra and Alan M Taylor
Recommended Materials: *The Wall Street Journal & The Economist*

Grading System:  
Research Paper 20%
Unit I Exam 15%
Unit II Exam 15%
Unit III Exam 15%
Homework 10%
Pop Quizzes 10%
Group Quizzes 15%
Class Participation 5% (extra credit)

Grade Scale: Final Grades will be based on the (weighted) average of the research paper, 3 unit tests, homework, and the quizzes.

- A 92 % Average or greater
- A- Between 90.0 % and 91.999%
- B+ Between 88.0 % and 89.999%
- B Between 82.0 % and 87.999%
- B- Between 80.0 % and 81.999%
- C+ Between 78.0 % and 79.999%
- C Between 72.0 % and 77.999%
- C- Between 70.0 % and 71.999%
- D+ Between 68.0 % and 69.999%
- D Between 62.0 % and 67.999%
- D- Between 60.0 % and 61.999%
- F Less than 60.0 %

Homework will consist of selected questions at the end of each chapter in the textbook. Pop quizzes will be based on Study Questions that will accompany reading materials that will be assigned throughout the semester. Group quizzes will be based on the score attained by the entire class. These quizzes will be multiple choice questions that are answered by individual students. Three “lifelines” are available in the individual round of questions. Two “challenges” by the class can be made at the end of the individual round of questions. Any absent student will not receive credit for the group quiz score. One group quiz score can be dropped at the end of the semester. A group quiz average of more than 75% at the end of the semester will receive a 100. Details regarding requirements of the Research Paper will be presented on September 26.

Up to 5% extra credit will be added to students’ final average, based on class participation. Active class participation includes productive responses to the instructor’s questions during class, bringing occasional current events news to class, strong presentation of chapter problems, and asking questions in class. Note: the “baseline” for participation extra credit is based on regular and sustained quality work. Also note that perfect attendance is not justification for any extra credit. However, numerous absences (>5,6?) from class will detract significantly from an otherwise strong participation grade.
Class Schedule - ECON 410

Week #1
W Sept 7  Course Introduction
F Sept 9  Chapter 1 The Global Macroeconomy

Week #2
M Sept 12 Chapter 1 (continued)
W Sept 14 Chapter 1 (continued)
   Introduction to the Financial Crisis
F Sept 16 Chapter 2 Introduction to Exchange Rates and the Foreign Exchange Market**
   Group Quiz

Week #3
M Sept 19 Chapter 2 (continued)
W Sept 21 Chapter 2 (continued)
F Sept 23 Chapter 2 (continued)
   Group Quiz

Week #4
M Sept 26 Chapter 3 Exchange Rates I: The Monetary Approach in the Long Run
   Research Paper Discussion
W Sept 28 Chapter 3 (continued)
F Sept 30 Chapter 3 (continued)

Week #5
M Oct 3  Chapter 4 Exchange Rates II: The Asset Approach in the Short Run
W Oct 5  Chapter 4 (continued)
F Oct 7  Chapter 4 (continued)   Group Quiz

Week #6
M Oct 10  Unit I Exam
W Oct 12 Chapter 5 National and International Accounts: Income, Wealth and the Balance of Payments
F Oct 14 Chapter 5 (continued)

Week #7
M Oct 17 Chapter 5 (continued)
W Oct 19 Chapter 6 Balance of Payments I: The Gains from Financial Globalization
F Oct 21 Chapter 6 (continued)
   Group Quiz

Week #8
M Oct 24 Chapter 6 (continued)
W Oct 26 Chapter 7 Balance of Payments II: (from an AD/AS approach)
F Oct 28 Chapter 7 (continued)
Week #9
M  Oct 31  Chapter 7
   Group Quiz
W  Nov  2  Chapter 8: Fixed vs. Floating: The International Monetary Experience
F  Nov  4  Chapter 8 (continued)

Week #10
M  Nov  7  Unit II Exam (in the Testing Center – Polk Library)
W  Nov  9  Video: The Grameen Bank - Part I
F  Nov 11  Video: The Grameen Bank - Part II

Week #11
M  Nov 14  Chapter 9: Exchange Rate Crises-How Pegs Work and How They Break
W  Nov 16  Chapter 9 (continued)
F  Nov 18  Chapter 9 (continued)
   Group Quiz

Week #12
M  Nov 21  Chapter 10 The Euro
   Thanksgiving Vacation

Week #13
M  Nov 28  Chapter 10 (continued)
W  Nov 30  Chapter 10 (continued)
F  Dec  2  Chapter 10 (continued)

Week #14
M  Dec  5  Chapter 11 Topics in International Macroeconomics
W  Dec  7  Chapter 11 (continued)
F  Dec  9  Chapter 11 (continued)

Week #14
M  Dec 12  Group Quiz
W  Dec 14  Research Paper Due in Class
F  Dec 16  Unit III Exam
The purpose of the research is to document and explain recent (circa) 1980 - 2010 macroeconomic conditions of a country and how these conditions were affected by international capital flows and other pertinent international issues. These conditions include factors such as: GDP and its components, capital flows, exchange rates, interest rates, inflation rates, unemployment rates, corruption indicators, central bank independence, etc.

The paper will consist of three sections. 1- Business cycle conditions – a summary of the most important strengths and weaknesses of the country in recent history. 2 – The impact of the international capital markets on the domestic economy. E.g. international capital flow issues, international policies of the country, and foreign sector conditions. 3- A reasoned assessment of the future course of the domestic with recommended policy(s) that the country should pursue.

Evaluation Criteria

15 % Organization - i.e. Is there a clear sense of direction? Introduction – Body – Conclusions. Evidence or statistics are presented in a logical manner to support ideas discussed in the paper.

20 % Style – Correct use of grammar. Spelling. Do not write in 1st or 2nd Person (e.g. I, we). Do not cut and paste graphs or tables found on the internet. Consecutively numbered footnotes should appear at the bottom of each page. 1 inch left and right margins and 0.5 inch margins at the top and bottom of each page. ALL sources of information should be identified at the bottom of figures and tables. Single space with a double-space between paragraphs. Paper Length – 10 pages of written material. Figures and tables should be inserted within the text, not at the end of the paper.

65% Analysis – The paper should reflect the application of economic concepts studied in class to economic conditions found in the country. Any graphs such as IS-LM-FE curves or FX supply and demand curves may be hand drawn. The accurate portrayal of the country’s economic conditions can be shown by drawing the lines with the appropriate slopes. The ability to do this demonstrates “the application of economic concepts studied in class to economic conditions found in the country”.

The ability to find and present important data not given to you or the ability to transform data in an analytical manner or present it in a creative manner is evidence of the student’s understanding of the data. For example, the calculation of the government deficit as a % of GDP may be a useful statistic to facilitate international comparisons, or perhaps, simply, the calculation of the rate of appreciation/depreciation of a currency.

Finally, it is expected that national events/trends/issues will be correctly identified.

Due Date: Dec 6, 2010 – in class. Grades for late papers will decrease by one letter grade for each day they are late.