EC 410, International Capital Markets
Syllabus - Fall Semester, 2011

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Office Hours: Mon, Wed, Fri 9:15 – 10:30am

Grading System:
- Unit I Exam 25%
- Unit II Exam 25%
- Unit III Exam 25%
- Country Reports 15%
- Group Quizzes 10%

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

Class Objectives:
1. Learn the features of the Current Account and the (capital) Financial Account in nations’ Balance
   of Payments.
2. Learn the impact of balance of payments imbalances on national economies
3. Learn the relationships between national business cycles and international capital flows
4. Learn the features of the exchange rate regimes that have been used by nations.
5. Learn how exchange rates are determined.
6. Learn the causes of currency crises and the impact of these crises.
7. Learn the differences in national banking systems
8. Learn the international regulatory policies that affect international banking

The group quizzes will be oral quizzes where students are randomly chosen by the instructor to
answer the question on behalf of the entire class. Approximately 8 – 10 questions will be on each
quiz. One “lifeline” will be available during each quiz. A student who doesn’t know the answer to
his/her question may use the lifeline by getting assistance from one of the students sitting next to
him/her. Only one lifeline is available for each quiz. After all of the questions have been completed,
the entire class can use up to two “challenges” if someone believes that a wrong answer has been
given. Everyone in class will receive the same grade on the group quiz. Students who are absent
will receive a zero.

Country Reports – Each student will prepare three 4-5 minute oral class presentations describing
foreign sector conditions for a country of their choice. Due to time limitations some students will
not be chosen to present to the class. Everyone will be required to submit a PowerPoint outline,
approximately 3 pages of slides. Topics for the 3 presentations: 1) Current Macroeconomic
Conditions, 2) Exchange Rate and Capital Flow Issues, and 3) Future Role in the World Financial
Crisis. It is expected that each student will become the class’ expert on the chosen country. A
country draft will be conducted in class on September 10 – no more than 2 students may choose the
same country. (country list is at the end of this syllabus)
Week #12
M Nov 19  International Bank Regulation
W Nov 21  Country Report #3 – Future Role in the World Financial Crisis: Victim or Provocateur?

Week #13
M Nov 26  Country Report #3
Thanksgiving Vacation

Week #14
M Dec 3   Capital Flows to Emerging Countries
W Dec 5   Banking in Emerging Markets

Week #15
M Dec 10  Group Quiz #5
W Dec 12  Unit III Exam

Japan
Germany
Brazil
Ireland
Switzerland
France
Argentina
Peru
Australia
Spain
Greece
Canada
Mexico
Chile