

Investment and Macroeconomics for International Commerce (ITRN 503-002)

Spring 2004, Mondays, 7:20-9:50 pm, January 24 – May 16

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Office Hours Before and After Class, By Appointment

Welcome to Trade and Microeconomics, one of the required ICP courses. In this course, we are to cover Macroeconomics – how domestic economic trends such as GDP, inflation, and unemployment are measured, caused, and affected by government policies – and International Finance Theory – the balance of payments, foreign exchange rates, and what causes their trends and problems.

Materials

The main course materials are to be standard macroeconomics and international economics textbooks and a guide to macroeconomic and international finance indicators. The ones that are to be in the Bookstore for purchase are listed below. However, if you have other access to other microeconomics and international economics textbooks, say from ITRN 500, ITRN 504, or from other previous courses, do not feel compelled to purchase the ones in the bookstore, if the ones you have can be “lined up” with the topics in the schedule.

The books that are to be in the Bookstore for the course are:

Principles of Macroeconomics, John B. Taylor (JT on schedule)

International Economics, Thomas Pugel (TP on schedule)

Guide to Economic Indicators (GE on schedule).

These books also can be obtained on the Internet. In addition to these primary materials, various handouts and readings from current trends and issues are to be assigned during the course.

Grading

Course grade is to be based on performance on three in-class open books/notes examinations and on two homework assignments.

- Both examinations and homework assignments will require application of the concepts and principles covered in the previous classes to actual and hypothetical real world situations.
- Points are to be deducted for shortfalls – inaccurate assessments, incomplete argumentation, unclear discussion, etc. – in addressing the assignments.
- These deductions are to be subtracted from the total number of points possible.
- The course letter grade is to be obtained by computing the points obtained, after deductions, as a percentage of total points possible, and setting against a scale of: 96-100=A, 92-96=A-, 88-92=B+, 84-88=B, 80-84=B-, 70-80=C, <70=F.

Schedule

Date	Topic	Materials
<u>Macroeconomics</u>		
Jan 24	Basic Measures of Macroeconomic Performance	GE 4,5,8,12,13
Jan 31	Analyzing Economic Growth and Inflation	JT (chapters TBD)
Feb 7	Analyzing Interest Rates and Unemployment	JT (chapters TBD)
Homework Assignment; Due Feb 14		
Feb 14	Fiscal and Monetary Policy and Their Impacts	JT chapters TBD)
Feb 21	No Class	
Feb 28	How Foreign Factors Influence Macroeconomy	JT (chapters TBD)
Mar 7	Examination	Materials from Jan 24 – Feb 28
<u>International Finance Theory</u>		
Mar 14	No Class	
Mar 21	No Class	
Mar 28	International Balance of Payments	GE 10; TP 15
Apr 4	Foreign Exchange Markets: Terminology and Mechanics	GE 11; TP 16,17
Homework Assignment; due Mar 29		
Apr 11	Analyzing International Finance Trends Overview	TP 18,21
Apr 18	Alternative Exchange Systemes	TP 19
Apr 25	International Financial Adjustment	TP 21,22
May 2	Examination	Materials from Mar 28 – Apr 25
May 9	Today's Macroeconomic and International Financial Trends and Issues	TP 20
May 16	Final Examination	All Materials