DEPARTMENT OF INTERNATIONAL BUSINESS

COURSE NUMBER: IBUS 4302 -10
SEMESTER: Fall 2015
Monday/Wednesday 12:45-2 p.m.

Classroom: Room 255
Duques Hall

COURSE TITLE: International Banking (Course Number 64922)

COURSE DESCRIPTION: This course focuses on various institutional and management issues facing international banking. It examines the current international banking and financial environment and its evolution during the recent decades, major managerial and operational issues in international banking, and the regulatory problems confronting international banks. The course also studies the implications of recent global financial crises for international banks.

PROFESSOR: Professor Y. S. Park, DBA & PhD.
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e-mail: yspark@gwu.edu

OFFICE HOURS: Wednesday 4 - 6 p.m., and also by appointment.


ASSIGNMENTS: Prior to each class session, students are expected to complete the required readings for the assigned session as well as thorough preparation of any case to be discussed.

METHOD FOR GRADING:
- Final exam (Monday, December 14) 50%
- Mid-term exam (Monday, November 2) 30%
- Take-home test (Answers due on Wednesday, September 30) 20%
<table>
<thead>
<tr>
<th>Class Session</th>
<th>Brief Description of Topics</th>
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<tr>
<td>1. (8/31)</td>
<td><strong>Introduction to International Banking; Types of Banks</strong></td>
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<td>2. (9/2)</td>
<td><strong>International Banking Theory, Evolution &amp; Organizational Structures</strong></td>
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<td>Text, Chapter 1, Section 2.</td>
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<td>3. (9/9)</td>
<td><strong>Regulatory Environment; Role of Central Banks; Federal Reserve &amp; ECB</strong></td>
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<td>Text, Chapter 1, Sections 1 &amp; 3.</td>
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<td>4. (9/14)</td>
<td><strong>U.S. Federal &amp; State Regulation of International Banking</strong></td>
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<td>Text, Chapter 2.</td>
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<td>5. (9/16)</td>
<td><strong>BIS: Origin, Structure and its Roles in International Banking</strong></td>
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<td>Text, Chapter 3, Sections 1 and 2.</td>
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<td>6. (9/21)</td>
<td><strong>Multilateral Development Banks &amp; Their Roles</strong></td>
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<td><strong>Evolution in LDC Banking System</strong></td>
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<td>Class handouts.</td>
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<td>7. (9/23)</td>
<td><strong>Major International Payment &amp; Settlement Systems: CHIPS vs. Fedwire</strong></td>
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<td>Class handouts.</td>
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<td>8. (9/28)</td>
<td><strong>Key International Interest Rates: Fed fund rate, LIBOR, Euribor, EONIA</strong></td>
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<td>Class handouts.</td>
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<td>9. (9/30)</td>
<td><strong>Eurodollar and Eurocurrency Markets</strong></td>
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<td>Class handouts.</td>
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<td>(Take-home exam answers due.)</td>
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<td>10. (10/5)</td>
<td><strong>International Lending Operations: Eurocredits</strong></td>
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Text, Chapter 6.

Case Discussion: "Continental vs. Saudi."

11. (10/7)  Securitization

Class handouts.

12. (10/12)  Origins and Analysis of the 2008-09 Global Financial Crisis

“The Role of Financial Innovations in the Current Global Financial Crisis”

13. (10/14)  Asian Financial Crisis of 1997-98 and Other Banking Crises

Class handouts.

14. (10/19)  Off-Balance Sheet Activities of Banks

Class handouts.

15. (10/21)  Basel Guidelines for Risk-weighted Capital Ratios

Text, Chapter 3, Section 3.

16. (10/26)  Market Risk and Revised Basel Committee Guidelines; Basel II & III

Class handouts.

17. (10/28)  Entry by U.S. Banks into Foreign Markets

Text, Chapter 4.

18. (11/2)  Mid-term exam

19. (11/4)  Entry by Foreign Banks into U.S. Markets and IBA of 1978

Text, Chapter 5.

20. (11/9)  International Asset and Liability Management of Banks

Class Handouts.
21. (11/11)  Banking and Derivatives Markets; Introduction to Swaps
Class handouts.

22. (11/16)  Interest Rate Swap & Bank Liability Management
Class handouts.

Class handouts.

Class handouts.

25. (11/30)  International Debt Problems and Debt Rescheduling
Text, Chapter 7, Sections 1, 3 & 4.

26. (12/2)  Debt Swaps and Brady Bonds; Bond for Bond Swaps
Text, Chapter 7, Section 2.

27. (12/7)  OBCs and IBFs
Class handouts.

28. (12/9)  Islamic Banking
Text, Chapter 1, Section 3.

29. (12/14)  Final Exam