George Washington University

School of Business

Course Syllabus

COURSE NUMBER: IBUS 3101-10 (CRN: 55330)  SEMESTER: Spring 2017
(Tue/Thu: 12:45-2:00 p.m.)  Class Room: Rome 459

COURSE TITLE:  Global Financial Environment

COURSE DESCRIPTION:  To assess the international economic, trade and financial environment in which global business firms operate and to discuss the latest developments in the international monetary and financial system. The course is to provide BBA students with basic tools in assessing global financial issues as they affect international business operations.

PROFESSOR:  Professor Y. S. Park, DBA & PhD.
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OFFICE HOURS:  Tuesday 2-3 p.m., and also by appointment.


COURSE OBJECTIVES:  The basic objective is to enhance the ability of students to understand the current international economic and monetary issues and to analyze the financial problems arising in international operations of a firm. The course deals with the theories and practices of international economy, trade and finance relevant for future practitioners in global business.

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:  Take-home test (answers due Tuesday, February 14)  20%
Mid-term exam (Thursday, March 9)  30%
Final Exam (Tuesday, May 9, to be confirmed later)  50%
ACADEMIC INTEGRITY: The code of academic integrity applies to all courses in the George Washington School of Business. Please become familiar with the code. All students are expected to maintain the highest level of academic integrity throughout the course of the semester. Please note that acts of academic dishonesty during the course will be prosecuted and harsh penalties may be sought for such acts. Students are responsible for knowing what acts constitute academic dishonesty. The code may be found at: http://www.gwu.edu/~ntegrity/code.html

UNIVERSITY POLICIES:

Religious Accommodation

Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

Disability Support Services (DSS)

Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Rome Hall, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information please refer to: gwired.gwu.edu/dss/

Mental Health Services 202-994-5300

The University’s Mental Health Services offers 24/7 assistance and referral to address students’ personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations confidential assessment, counseling services (individual and small group), and referrals. Counselingcenter.gwu.edu/
Meeting 1: Introduction to the Course; World Trade and Global Economy
(1/17)
Chapter 1.

Meeting 2: Major Developments in the Current International Monetary and Financial Environment
(1/19)
Class handouts.

Meeting 3: Role of the IMF and Other International Economic Institutions
(1/24)
Chapter 2.

Meeting 4: Gains from International Trade: Why Nations Trade
(1/26)
Chapter 3.

Meeting 5: Comparative Advantage and Factor Endowments
(1/31)
Chapter 4.

Meeting 6: Government Intervention in Trade: Tariffs & Non-tariff Barriers
(2/2)
Chapter 6.

Meeting 7: Global Trade Rounds vs. NAFTA and Other Regional Trade Agreements
(2/7)
Chapter 13.

Case Study: The Uruguay and Doha Rounds (Chapter 6)

Meeting 8: Trade Financing Methods
(2/9)
Class handouts.

*Take-home test questions made available.*

Meeting 9: Balance of Payments and its Implications for the National Economy
(2/14)
Chapter 9.

*Take-home test answers due (in hard copy only; no electronic answers)*
Meeting 10: Monetary and Fiscal Policies for BOP Equilibrium  
(2/16)  
Chapter 11.

Meeting 11: Foreign Direct Investments and Country Risk  
(2/21)  
Class handouts.

Meeting 12: Bretton Wood System and the Current Exchange Rate Arrangements  
(2/23)  
Class handouts.

Meeting 13: Exchange Rates: Their Implications for the Economy  
(2/28)  
Chapter 10.

Meeting 14: Foreign Exchange Markets: Introduction  
(3/2)  
Class handouts.

Meeting 15: Spot vs. Forward Foreign Exchange Markets  
(3/7)  
Class handouts.

Meeting 16: Midterm Exam  
(3/9)

Meeting 17: Brief Introduction to Foreign Exchange Derivatives  
(3/21)  
Class handouts.

Meeting 18: Major International Financial Crises: Causes and Implications  
(3/23)  
Case Study: The Mexican Peso Crisis of 1994 and 1995  
Chapter 12.

Meeting 19: Global Financial Crisis of 2007-08  
(3/28)  
Class handouts.

Meeting 20: LDC Debt Crisis of 1980s  
(3/30)
Chapter 15.

Meeting 21: Path towards the European Union (4/4)

Chapter 14.

Meeting 22: European Monetary Union and Creation of the Euro (4/6)
Class handouts.

Class handouts.

Meeting 24: World Reserve Currencies: USS, Euro and SDR (4/13)
Class handouts.

Meeting 25: Different Economic Development Model: Latin America vs. East Asia (4/18)
Chapters 15 and 16.

Meeting 26: BRIC Countries in the World Economy; Potential of BRIC Development Bank and Asia Infrastructure Investment Bank (4/20)
Chapter 17 and class handouts.

Meeting 27: Role and Prospects for the World Bank and Other Regional Development Banks (4/25)
Class handouts.

Meeting 28: Chinese Renminbi’s Rising International Role (4/27)
Class handouts.

FINAL EXAM: May 9 (To be confirmed later during the semester)