



Department of Economics

ECON 256.3 (01)
INTERNATIONAL MONETARY SYSTEM
T1: 2012/13

Course Details

Venue:	TR 11:30-12:50, Arts 214
Prerequisite(s):	Econ 114
Textbook(s):	See below for details.
Course Objective:	This course gives students an opportunity to study the genesis, performance, and functions of monetary regimes over the past two centuries. The economic tools required to understand the development of the international monetary system will be introduced along with the discussion of the historic institutions and events.
Website:	Some material will be available from the course website on PAWS; please check for updates regularly.

Instructor

Andreas Pollak Arts 922	Phone: 966-5221 E-mail: a.pollak@usask.ca (preface subject with "ECON256")
Office Hours:	Tuesday, 14:45-15:30, and Thursday, 15:30-16:15 (check PAWS for changes in office hours)

Reading List

The readings for this course come from three sources:
Caves, Frankel, Jones: World Trade and Payments. An Introduction, 10th edition.
Eichengreen: Globalizing Capital, 2nd edition.
Krugman, Obstfeld: International Economics. Theory and Policy, 8th edition.

The eight relevant chapters from *Caves/Frankel/Jones* and *Krugman/Obstfeld* have been bundled in a custom textbook ("International Monetary System"), referred to as CFJKO.

If you have access to a course pack from 2010 or 2011, this is an acceptable alternative to CFJKO. You still need to get the Eichengreen book.

Both the Eichengreen and the CFJKO are available at the bookstore.

A complete list of all literature mentioned in the course is available on request.

Course Outline with Readings

1. Introduction
 - **Eichengreen, Chapter 1**
2. Basic Concepts
 - 2.1. National Income Accounting
 - **CFJKO, Chapter 1**
 - 2.2. Money in the Open Economy
 - **CFJKO, Chapters 2 and 3**
 - 2.3. The Foreign Exchange Market
 - **CFJKO, Chapter 4**
3. The Gold Standard
 - 3.1. The Classical Gold Standard
 - **Eichengreen, Chapter 2**
 - 3.2. The Interwar Gold Standard
 - **Eichengreen, Chapter 3**
4. Fiscal and Monetary Policy
 - **CFJKO, Chapters 5 and 6**
 - 4.1. Closed Economy: IS-LM
 - 4.2. The Mundell-Fleming Model
5. The Bretton Woods System
 - **Eichengreen, Chapter 4**
 - 5.1. The Design of the System
 - 5.2. The Operation of the System
 - 5.3. The End of Convertibility
6. After Bretton Woods
 - **Eichengreen, Chapter 5, pp. 134-157**
 - 6.1. Reframing Monetary Policy
 - 6.2. Monetary Policy Today
7. Monetary Integration
 - **CFJKO, Chapter 7**
 - Eichengreen, Chapter 5, pp. 157-178, Chapter 6, pp. 219-227
 - 7.1. Optimum Currency Area Theory
 - 7.2. Common Currencies
8. Currency Crises
 - **CFJKO, Chapter 8**
 - Eichengreen, Chapter 5, pp. 178-184, Chapter 6, pp. 185-218
9. Taking Stock
 - **Eichengreen, Chapter 7**

Required readings are printed in **bold** font.

Note that the course outline and reading list might be updated during the term.

Grading

There are two possible grading schemes. Everyone will write several assignments, two midterm exams, and the final exam. You have the option to write an essay. If you choose the essay option, the weights of assignments and exams in your final grade are lower, and the number of assignments you write is lower. Details are provided in the following table:

Description	Date/deadline	Weight (standard)	Weight (essay option)
Assignments	TBA	25%	15%
Midterm Exam #1	October 11	15%	10%
Midterm Exam #2	November 8	15%	10%
Essay	November 6	-	30%
Final Exam	TBA	45%	35%

Assignments: You will complete a number of assignments during the term. If you receive help from any source (book, another person, website) you must cite it on your assignment. Failure to cite could be construed as academic dishonesty. You will have at least one week to complete each assignment. All assignments must be submitted by the due date *before* class. Late assignments will not be accepted. Answer keys will be posted on PAWS.

Exams: Exams will be cumulative and test your understanding of the subject material and your ability to analyze and formulate solutions to specific problems. Please note that reproducing the contents of the slides used in the lecture will not be sufficient to pass the exams. The assignments are intended to help you prepare for the exams. However, exams are not assignments and will typically differ in the types of questions asked. All exams are closed book. Electronic devices will not be permitted during examinations, with the exception of approved non-programmable calculators without communication functions.

Essay: You have the option to write an essay (about 10 to 12 pages) on a topic related to the theme of the course. Further details (including possible topics) will be announced after the first midterm. If you choose the essay option, you do not have to hand in assignments between the time you receive your topic and the essay deadline.

If you know that you will miss an exam or assignment, contact the instructor as early as possible *before* the due date. Alternative arrangement may be possible at the instructor's discretion. If you miss assignments or midterms without prior arrangements, you will receive a mark of zero unless you can provide evidence that the deadline was missed for reasons beyond your control (e.g. by providing a doctor's note).

Grading System (see <http://www.usask.ca/calendar/exams&grades/gradingsystem/>).

A percentage system for reporting final grades was implemented by the University of Saskatchewan in September 1986. The university-wide relationship between literal descriptors and percentage scores for undergraduate courses is as follows:

<p>90-100 Exceptional: A superior performance with consistent strong evidence of</p> <ul style="list-style-type: none"> • a comprehensive, incisive grasp of the subject matter; • an ability to make insightful critical evaluation of the material given; • an exceptional capacity for original, creative and/or logical thinking; • an excellent ability to organize, to analyze, to synthesize, to integrate ideas, and to express thoughts fluently. 	<p>80-89 Excellent: An excellent performance with strong evidence of</p> <ul style="list-style-type: none"> • a comprehensive grasp of the subject matter; • an ability to make sound critical evaluation of the material given; • a very good capacity for original, creative and/or logical thinking; • an excellent ability to organize, to analyze, to synthesize, to integrate ideas, and to express thoughts fluently. 	<p>70-79 Good: A good performance with evidence of</p> <ul style="list-style-type: none"> • a substantial knowledge of the subject matter; • a good understanding of the relevant issues and a good familiarity with the relevant literature and techniques; • some capacity for original, creative and/or logical thinking; • a good ability to organize, to analyze and to examine the subject material in a critical and constructive manner.
<p>60-69 Satisfactory: A generally satisfactory and intellectually adequate performance with evidence of</p> <ul style="list-style-type: none"> • an acceptable basic grasp of the subject material; • a fair understanding of the relevant issues; • a general familiarity with the relevant literature and techniques; • an ability to develop solutions to moderately difficult problems related to the subject material; • a moderate ability to examine the material in a critical and analytical manner. 	<p>50-59 Minimal Pass: A barely acceptable performance with evidence of</p> <ul style="list-style-type: none"> • a familiarity with the subject material; • some evidence that analytical skills have been developed • some understanding of relevant issues; • some familiarity with the relevant literature and techniques; • attempts to solve moderately difficult problems related to the subject material and to examine the material in a critical and analytical manner which are only partially successful. 	<p>50 Failure: An unacceptable performance.</p>

Academic Integrity

Please note that academic dishonesty is subject to severe penalty at the University of Saskatchewan. Any form of conduct not in line with the basic rules of academic integrity, including cheating and plagiarism, will not be tolerated.

This course will conform to the academic requirements and standards, including *Academic Misconduct* (http://www.usask.ca/university_secretary/honesty/StudentAcademicMisconduct.pdf) and the rules of *Student Appeals in Academic Matters* (http://www.usask.ca/university_secretary/honesty/Student_Academic_Appeals.php). See http://www.usask.ca/university_secretary/honesty/ for details.

Attachment

“Integrity defined,” also available at http://www.usask.ca/university_secretary/pdf/dishonesty_info_sheet.pdf



INTEGRITY

defined

Integrity is expected of all students in their academic work –class participation, examinations, assignments, research, practica – and in their non-academic interactions and activities as well.

What academic integrity means for students

Perform your own work unless specifically instructed otherwise. Check with your instructor about whether collaboration or assistance from others is permitted.

Use your own work to complete assignments and exams.

Cite the source when quoting or paraphrasing someone else's work. Discuss with your professor if you have any questions about whether sources require citation.

Follow examination rules.

Discuss with your professor if you are using the same material for assignments in two different courses.

Be truthful on all university forms.

Use the same standard of honesty with fellow students, lab instructors, teaching assistants, sessional instructors and administrative staff as you do with faculty.

Integrity in non-academic activities

Misconduct that disrupts the activities of the university or harms the legitimate interests of the university community could be the cause for non-academic disciplinary action.

GUIDING PRINCIPLES

The university documents that lay out our rules and procedures are the **Student Academic Misconduct Regulations** (University Council) and the **Standard of Student Conduct in Non-Academic Matters** (University Senate). Both documents are based on the same Guiding Principles:

- Freedom of Expression
- Commitment to Non-violence
- Security and Safety
- Mutual Respect and Diversity
- Commitment to Justice and Fairness
- Integrity

ACADEMIC MISCONDUCT PROCEDURES

“Academic Misconduct” is the term the University uses to describe cheating. Types of cheating are listed in the **Student Academic Misconduct Regulations** of University Council. There is an onus on every student to become informed about academic misconduct.

When an instructor believes a student is guilty of academic misconduct, the following procedures are used:

Informal procedure:

Sometimes misconduct is the result of carelessness, misunderstanding of the rules, or miscommunication. In such cases, the instructor may discuss the matter with the student informally.

If the student concedes the misconduct, the instructor has the authority to impose one or more of the following penalties:

- reduce the grade on the assignment or exam, to as low as zero
- require the student to rewrite the assignment or exam

A penalty imposed by an instructor is not reported to the student's college and does not become part of the student's record.

A student who disagrees with the allegation of cheating or with the penalty imposed may request a formal hearing.

Formal procedure:

For more serious misconduct, or in cases where the student disputes the allegation or the penalty, a college hearing board will hear the matter. Procedures for hearings are described in the Regulations.

The hearing board has the authority to impose one or more of the following penalties:

- reprimand or censure the student
- reduce the grade on the assignment, exam, or entire course, to as low as zero
- require the student to rewrite the assignment or exam
- require the student to submit an essay or a presentation on academic misconduct
- suspend or expel the student
- postpone, deny or revoke the student degree, diploma or certificate

A penalty imposed by a Hearing Board is reported to the student's college and to the university, and becomes part of the student's record. A finding of misconduct in research funded by an external agency is reported to that agency.

Further appeal of a hearing board decision or penalty is permitted only on grounds of unfair procedure or new evidence.

FOR MORE INFORMATION

Integrity and Student Conduct website: www.usask.ca/university_secretary/honesty/

Date: Effective January 1, 2010

Academic Misconduct Defined

The following constitute academic misconduct that may be the subject-matter of an allegation under the **Student Academic Misconduct Regulations:**

- (a) Providing false or misleading information or documentation to gain admission to the university or any university program;
- (b) Theft of lecture notes, research work, computer files, or other academic or research materials prepared by another student or an instructor or staff member;
- (c) Using work done in one course in fulfillment of any requirement of another course unless approval is obtained from the instructor by whom the material is being evaluated;
- (d) Presenting the work of someone else as one's own;
- (e) The supply of materials prepared by the student to another student for use by that student as the work or materials of that student;
- (f) Alteration or falsification of records, computer files, or any document relating to a student's academic performance;
- (g) Violation of the university's policy on misconduct in scholarly work as outlined at www.usask.ca/university_secretary/policies/research/8_25.php
- (h) Fabrication or invention of sources;
- (i) Failure to observe any stated rule with regard to the procedure used in an examination (or an activity undertaken for academic credit) where such a failure could result in the student gaining relatively greater credit;

- (j) Altering answers on a returned examination;
- (k) When prohibited, removing an examination from the examination room;
- (l) Seeking to acquire or acquiring prior knowledge of the contents of any examination question or paper with the intention of gaining an unfair advantage;
- (m) Possessing or using notes or other sources of information or devices not permitted by the course instructor in an examination;
- (n) Consulting or seeking the assistance of others when writing a "take home" examination unless permitted by the course instructor;
- (o) Providing false or misleading information with the intent to avoid or delay writing an examination or fulfilling any other academic requirement;
- (p) Failing to observe the terms of any agreement not to disclose the contents of an examination;
- (q) Misrepresenting or conspiring with another person to misrepresent the identity of a student writing an examination or engaging in any other form of assessment;
- (r) Knowingly doing anything designed to interfere with the opportunities of another person to have his or her contribution fully recognized or to participate in the academic program;
- (s) Preventing others from fair and equal access to University facilities or resources, including library resources ;

(t) Using or attempting to use personal relationships, bribes, threats or other illegal conduct to gain unearned grades or academic advantages;

(u) Knowingly assisting another person engaged in actions that amount to academic misconduct;

(v) **Plagiarism:** the presentation of the work or idea of another in such a way as to give others the impression that it is the work or idea of the presenter.

Adequate attribution is required.

What is essential is that another person have no doubt which words or research results are the student's and which are drawn from other sources. Full explicit acknowledgement of the source of the material is required.

Examples of plagiarism are:

(i) The use of material received or purchased from another person or prepared by any person other than the individual claiming to be the author. [It is not plagiarism to use work developed in the context of a group exercise (and described as such in the text) if the mode and extent of the use does not deviate from that which is specifically authorized].

(ii) The verbatim use of oral or written material without adequate attribution.

(iii) The paraphrasing of oral or written material of other persons without adequate attribution

(w) Unprofessional conduct or behaviours that occur in academic or clinical settings or other work placements, or that are related to the student's area of professional practice.



Office of the University Secretary