

27448 - International Monetary System

Syllabus Information

Academic year: 2023/24

Subject: 27448 - International Monetary System

Faculty / School: 109 - Facultad de Economía y Empresa

Degree: 417 - Degree in Economics

ECTS: 5.0

Year: 4

Semester: Second semester

Subject type: Optional

Module:

1. General information

The main objective of the International Monetary System subject is to know and interpret the international financial context.

To this end, a three-module program has been designed: after an introduction, the first module examines exchange rate and foreign exchange markets; the second focuses on the analysis of different exchange rate regimes and economic policy coordination in open economies; the third deals with international financial systems and provides an overview of financial internationalization.

These approaches and objectives are aligned with the following Sustainable Development Goals (SDG) of the United Nations Agenda 2030 (<https://www.un.org/sustainabledevelopment/es/>), in such a way that the acquisition of the learning results of the subject provides training and competence to contribute to some extent to their achievement:

Goal 8: Decent Work and Economic Growth

Goal 9: Industry, Innovation and Infrastructure.

Goal 10: Reduction of Inequalities Goal 12: Responsible Production and Consumption

2. Learning results

The student will improve different aspects in this subject:

- Ability to understand the institutions that affect foreign exchange markets and monetary integration processes
- Ability to assess economic policy under different exchange rate regimes.
- Develop the main existing theories for the determination of the exchange rate.
- Ability to apply the main quantitative techniques used to contrast the explanatory theories of the exchange rate
- Analyse data.
- Work in groups.
- Analyse and synthesize economic theories and facts.
- Acquire skills in the management of economic information both in oral and written communication.
- Ability to assess recent trends in relation to monetary systems and globalization.

3. Syllabus

PART 0: INTRODUCTION TO THE INTERNATIONAL MONETARY SYSTEM

0.1- Macroeconomics of an Open Economy

0.2- Balance of payments

0.3- Concept of International Investment Position

PART 1: FOREIGN EXCHANGE MARKET AND EXCHANGE RATES

1.1 The exchange rate as a price in the foreign exchange market

1.2 Stock balance in the foreign exchange market

1.3 Money, interest rates and exchange rates

1.4 Relative prices as a long-term argument

1.5 Short-term production and exchange rate

PART 2: MONETARY AREAS AND POLICY COORDINATION

2.1 Intervention in foreign exchange markets

2.2 Fixed and flexible exchange rates

2.3 Costs and benefits of monetary integration

PART 3: THE INTERNATIONAL MONETARY SYSTEM

- 3.1 From the gold standard to the fixed parities of the 1970s
- 3.2 The controlled float of the 1970s
- 3.3 EMS and Euro in the context of the current IMS
- 3.4 Commercial and financial globalization

4. Academic activities

During the development of the subject, master classes will be combined where theoretical concepts will be taught with practices or computer where the student will work with data and apply the concepts learned. In addition, the student will have to complete the above with their personal study with the support of tutorials.

In principle, the teaching methodology and its evaluation is planned to be based on face-to-face classes . However, if circumstances so require, they may be carried out online.

5. Assessment system

The student may choose one of the following options:

Option A) Global test at the end of the semester at the official call.

Option B) Continuous evaluation test at the end of the semester (7 points) and weekly practices (3 points). It will be necessary to deliver a minimum of practices throughout the term, equivalent to two thirds of the proposed activities.

In both options, the content of the practices is subject to evaluation in the final exam.

The overall test may combine open-ended and multiple-choice questions. In the case of open-ended questions , three aspects will be evaluated: the structure and clarity of the contents, the degree of completeness of the contents and the absence of formal errors.

In the evaluation of the practical activities, the following will be assessed: the degree of accuracy with which the work answers the questions posed, the absence of formal errors, the clarity and order in the presentation of the results, and the reflection and contribution of ideas behind each work

In the second official call, the evaluation system of the subject will be the same as in the first call.