



## Ewha International Summer College

# Course Syllabus

## Global Economic Issues

Professor: TBA

E-mail: TBA

Home Univ.: TBA

Dept.: TBA

**Description:** This course will introduce students to the today's most pressing world economic issues from a global perspective. Participants will examine the issues of Globalization, Regional Integration, Economic Development, Global Financial Market Crisis, European Financial Crisis, Japan's Lost Decades and so-called Abenomics, Emerging Chinese Economy, Great Recession, and more. This course will develop and enhance students' understanding of the issues described above and will practice how to apply course knowledge to analyze and address global events and worldwide economic issues. This course will be taught in English 100%.

By the end of this course, students will learn:

1. How changes in supply and demand affect equilibrium prices and quantities.
2. About the economic role of government in the economy.
3. How key economic indicators, such as gross domestic product (GDP), are defined and measured.
4. How changes in real interest rates affect investment.
5. How changes in real interest rates affect the exchange rate.
6. How changes in domestic prices affect the exchange rate.
7. The purposes, tools, and limitations of fiscal policy.
8. The functions and responsibilities of the central bank.
9. How the equilibrium interest rate is determined in the market for money.

**Objective:**

10. The goals and tools of monetary policy in major economies in the world.
11. The graphical model of comparative advantage, specialization, and the gains from trade.
12. What caused the 2018 Financial Crisis and so-called the Great Recession in 2008-2009.
13. How European Union has been created.
14. What caused the European Financial Crisis.
15. What the implication of Brexit is.
16. About the Japanese long-term economic depression in 1990's and 2000's.
17. How effective major economies' economic recovery policies after the Great Recession.
18. Why China's economic development is called "unbalanced" growth.
19. How to interpret economic forecasting data.
20. How to make professional presentations effective and successful.

**Prerequisite:** There are no prerequisites. Students don't need to purchase any books. Readings can be downloaded from the relevant website shown in the reading list below.

Credits	3	Contact Hours	M-Th, 2:00-4:00 p.m.
Week 1	6/25(Thu)	Introduction and Preview of Topics	
Week 2	6/29(Mon)	<p>Introduction: Global Economics</p> <ul style="list-style-type: none"> <li>[A-1] International Monetary Fund, "World Economic Outlook," Report, April 2019. <a href="https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019">https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019</a></li> <li>[A-2] Raymond J. Ahearn, "Rising Economic Powers and the Global Economy: Trends and Issues for Congress," Congressional Research Service Report, August 22, 2011. <a href="https://fas.org/sgp/crs/misc/R41969.pdf">https://fas.org/sgp/crs/misc/R41969.pdf</a></li> </ul>	
	6/30(Tue)	<p>Topic 1: Interest Rate, Inflation, and Exchange Rate</p> <ul style="list-style-type: none"> <li>[B-1] Jeffry Frieden, "Globalization and Exchange Rate Policy." The Future of Globalization. Ed. Ernesto Zedillo, Chapter 18, pp. 344-357, New York: Routledge, 2008. <a href="https://scholar.harvard.edu/files/jfrieden/files/globalization_and_exchange_rate_policy.pdf">https://scholar.harvard.edu/files/jfrieden/files/globalization_and_exchange_rate_policy.pdf</a></li> <li>[B-2] Maurice Shalishali, "A Test of the International Fisher Effect in Selected Asian Countries" International Journal of Humanities and Social Science, Vol 2(4), pp. 86-92, 2012. <a href="http://www.ijhssnet.com/journals/Vol_2_No_4_Special_Issue_February_2012/11.pdf">http://www.ijhssnet.com/journals/Vol_2_No_4_Special_Issue_February_2012/11.pdf</a></li> </ul>	
	7/1(Wed)	<p>Topic 2: U.S. Fiscal Policy and Monetary Policy</p> <ul style="list-style-type: none"> <li>[C-1] Janet Yellen, "The Federal Reserve's Monetary Policy Toolkit: Past, Present, and Future", Symposium sponsored by the Federal Reserve Bank of Kansas City, Jackson Hole, Wyoming, August 26, 2016 <a href="https://www.federalreserve.gov/newsevents/speech/yellen20160826a.htm">https://www.federalreserve.gov/newsevents/speech/yellen20160826a.htm</a></li> <li>[C-2] Christopher Sims, "Fiscal Policy, Monetary Policy and Central Bank Independence", Symposium sponsored by the Federal Reserve Bank of Kansas City, Jackson Hole, Wyoming, August 26, 2016 <a href="http://sims.princeton.edu/yftp/JacksonHole16/JHpaper.pdf">http://sims.princeton.edu/yftp/JacksonHole16/JHpaper.pdf</a></li> <li>[C-3] Lawrence Summers, "U.S. Economic Prospects: Secular Stagnation, Hysteresis, and the Zero Lower Bound," Business Economics, 49(2), 65-73. February 24, 2014. <a href="http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf">http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf</a></li> </ul>	
	7/2(Thu)	<p>Topic 3: International Monetary System: Reserve Currency and IMF's SDR</p> <ul style="list-style-type: none"> <li>[D-1] Emmanuel Farhi, Pierre-Olivier Gourinchas and Hélène Rey, "Reforming the International Monetary System", Centre for Economic Policy Research, 2011. <a href="https://voxeu.org/sites/default/files/file/Reforming%20the%20International%20Monetary%20System.pdf">https://voxeu.org/sites/default/files/file/Reforming%20the%20International%20Monetary%20System.pdf</a></li> </ul>	

		<ul style="list-style-type: none"> <li>• [D-2] China, the Yuan and the IMF: Double or Quits, European Council on Foreign Relations, February 2016. <a href="http://www.ecfr.eu/page/-/CA_FEB_2016.pdf">http://www.ecfr.eu/page/-/CA_FEB_2016.pdf</a></li> </ul>
Week 3	7/6(Mon)	<p>Topic 4: Secular Stagnation and Japanization</p> <ul style="list-style-type: none"> <li>• [E-1] Lawrence Summers, "U.S. Economic Prospects: Secular Stagnation, Hysteresis, and the Zero Lower Bound," <i>Business Economics</i>, 49(2), 65-73. February 24, 2014. <a href="http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf">http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf</a></li> <li>• [E-2] Ben Bernanke, "Why are interest rates so low, part 2: Secular stagnation," Brookings blog, March 31, 2015. <a href="https://pages.wustl.edu/files/pages/imce/fazz/bernanke_secstag_1504.pdf">https://pages.wustl.edu/files/pages/imce/fazz/bernanke_secstag_1504.pdf</a></li> </ul>
	7/7(Tue)	<p>Topic 5: Future of Cryptocurrencies – Bitcoin and Beyond</p> <ul style="list-style-type: none"> <li>• [F-1] Andy Extance, "Bitcoin and Beyond", <i>Nature</i>, Vol. 526, pp. 21-23, October 2015. <a href="https://www.nature.com/polopoly_fs/1.18447!/menu/main/topColumns/topLeftColumn/pdf/526021a.pdf">https://www.nature.com/polopoly_fs/1.18447!/menu/main/topColumns/topLeftColumn/pdf/526021a.pdf</a></li> <li>• [F-2] François R. Velde, "Bitcoin: A Primer," <i>Chicago Fed Letter</i>, Number 317, December 2013. <a href="https://www.chicagofed.org/publications/chicago-fed-letter/2013/december-317">https://www.chicagofed.org/publications/chicago-fed-letter/2013/december-317</a></li> </ul>
	7/8(Wed)	Review and Midterm Examination (Topics 1 through 5)
	7/9(Thu)	<p>Topic 6: The Great Recession and the Global Financial Crisis of 2007-2008</p> <ul style="list-style-type: none"> <li>• [G-1] Peter Temin, "The Great Recession and the Great Depression," NBER Working Paper Series, Working Paper 15645, January 2010. <a href="http://www.nber.org/papers/w15645.pdf">http://www.nber.org/papers/w15645.pdf</a></li> <li>• [G-2] Stijn Claessens and M. Ayhan Kose, "Financial Crises: Explanations, Types, and Implications," IMF Working Paper 13-28, January 2013. <a href="https://www.imf.org/external/pubs/ft/wp/2013/wp1328.pdf">https://www.imf.org/external/pubs/ft/wp/2013/wp1328.pdf</a></li> </ul>
Week 4	7/13(Mon)	<p>Topic 7: The European Financial Crisis</p> <ul style="list-style-type: none"> <li>• [H-1] The European Financial Crisis: Analysis and a Novel Intervention, Harvard University, June 2014. <a href="https://scholar.harvard.edu/files/markesposito/files/eurocrisis.pdf">https://scholar.harvard.edu/files/markesposito/files/eurocrisis.pdf</a></li> <li>• [H-2] Carlos Hurtado, "The Euro Experience: A Review of the Euro Crisis, Policy Issues, Issues Going Forward and Policy Implications for Latin America," Inter-American Development Bank Policy Brief, No. IDB-PB-167, June 2012. <a href="http://www20.iadb.org/intal/catalogo/PE/2012/10294.pdf">http://www20.iadb.org/intal/catalogo/PE/2012/10294.pdf</a></li> </ul>
	7/14(Tue)	<p>Topic 8: Unconventional Monetary Policy: Quantitative Easing (QE)</p> <ul style="list-style-type: none"> <li>• [I-1] Kenneth Rogoff, "Was quantitative easing best way to boost US economy?," <i>The Boston Globe</i>, March 1, 2015. <a href="https://scholar.harvard.edu/files/rogoff/files/was_quantitative_easing_best.pdf">https://scholar.harvard.edu/files/rogoff/files/was_quantitative_easing_best.pdf</a></li> <li>• [I-2] Michael Joyce, David Miles, Andrew Scott, and Dimitri Vayanos, "Quantitative Easing and Unconventional Monetary Policy – An Introduction," <i>The Economic Journal</i>,</li> </ul>

		122 (November) 2012, 271-288. <a href="http://personal.lse.ac.uk/vayanos/Papers/QEUMCI_EJ12.pdf">http://personal.lse.ac.uk/vayanos/Papers/QEUMCI_EJ12.pdf</a>
	7/15(Wed)	Topic 9: Emerging Chinese Economy <ul style="list-style-type: none"> <li>[J-1] Wayne Morrison, "China's Economic Rise: History, Trends, Challenges, and Implications for the United States," October 21, 2015, Congressional Research Service. <a href="https://fas.org/sgp/crs/row/RL33534.pdf">https://fas.org/sgp/crs/row/RL33534.pdf</a></li> <li>[J-2] OECD Economic Surveys: China, OECD, March 2015. <a href="http://www.oecd.org/eco/surveys/China-2015-overview.pdf">http://www.oecd.org/eco/surveys/China-2015-overview.pdf</a></li> </ul>
	7/16(Thu)	Topic 10: Japan's Lost Decades and Abenomics <ul style="list-style-type: none"> <li>[K-1] Naoyuki Yoshino and Farhad Taghizadeh-Hesary, "Three Arrows of "Abenomics" and the Structural Reform of Japan: Inflation Targeting Policy of the Central Bank, Fiscal Consolidation, and Growth Strategy," Asian Development Bank Institute Working Paper Series, No. 492, August 2014. <a href="http://www.unescap.org/sites/default/files/Abenomics-Farhad-ADBI-WP-No492-2014.08.01.pdf">http://www.unescap.org/sites/default/files/Abenomics-Farhad-ADBI-WP-No492-2014.08.01.pdf</a></li> <li>[K-2] Hanns Günther Hilpert, "Japan after Two Years of Abenomics," German Institute for International and Security Affairs, April 2015. <a href="https://www.swp-berlin.org/fileadmin/contents/products/comments/2015C20_hlp.pdf">https://www.swp-berlin.org/fileadmin/contents/products/comments/2015C20_hlp.pdf</a></li> <li>[K-3] Tanweer Akram, "Japan's Liquidity Trap," Levy Economics Institute Working Paper 862, March 2016. <a href="http://www.levyinstitute.org/pubs/wp_862.pdf">http://www.levyinstitute.org/pubs/wp_862.pdf</a></li> </ul>
Week 5	7/20(Mon)	Special Topics and Review of Topics
	7/21(Tue)	Final Examination (Topics 1 through 10)

Evaluation (%)	Midterm	Final	Attendance	Presentation	Participation	Etc.
	20%	40%	10%	20%	10%	