

Global Economic Issues
Ewha International Summer College
Summer 2019: Session I

Date: June 27(Th)–July 23(T), 2019

Time: 9:00–11:30 a.m. M–Th

Location: TBD

Prerequisites: None

Instructor: Inhyuck “Steve” Ha, Ph.D. (Western Carolina University, United States)

Email: inhyuck.steve.ha@gmail.com

Office Hours: 2:00–4:30 p.m. M–Th, or by appointment

Office: ECC 337 Faculty Lounge

Course 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 those issues 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%.

Course Materials

Students don’t need to purchase any books. Articles or reports can be downloaded from the relevant website shown in the reading list below.

Course Requirements

Midterm Examination	20%
Final Examination	40%
Term Project Group Presentation	20%
Economics in the News Presentation	10%
Attendance and Participation	10%

Examination 60% in total

There will be one midterm exam and one cumulative final exam. Details about materials covered and format will be provided at a later date. You must take exams during the scheduled class time. Make-ups will not be allowed. Only in the case of documented university excused absences, a make-up will be considered.

Term Project Group Presentation 20%

You will form small research groups (3-4 persons in each group depending on class size). Each group will give an in-class presentation on a chosen topic. Detailed instructions will be provided at a later date.

Economics in the News Presentation 10%

You will explore the latest news from the field of economics. With this exercise, you

will be able to identify current issues from media to increase your understanding of aspects of the issues from economics perspective, and solve the problem using the relevant economic principles. Each student (or a group of students depending on class size) will make a short (10-15 minutes) presentation. The total will contribute 10% of your final grading.

Attendance and Participation 10%

For active and effective participation during class discussions, preparation is key. You are expected to complete every assigned reading before class and come ready to discuss the readings related to the assigned topic. Preparing your own questions for the discussions is an excellent way to make sure that you are participating.

Grading

A+	97.0-100	4.3	C	73.0-76.9	2.0
A	93.0-96.9	4.0	C-	70.0-72.9	1.7
A-	90.0-92.9	3.7	D+	67.0-69.9	1.3
B+	87.0-89.9	3.3	D	63.0-66.9	1.0
B	83.0-86.9	3.0	D-	60.0-62.9	0.7
B-	80.0-82.9	2.7	F	<60.0	0.0
C+	77.0-79.9	2.3			

Attendance Policy

You are expected to attend and participate in each class. You are also expected to be on time for all classes. Attendance will be checked each time; two points will be deducted from the final grade for each absence. Ewha policy states that missing more than or equal to 5 classes will automatically result in an F for the course. Consistent tardiness will not be tolerated and will result in dismissal from the course.

Computer/Cell Phone Policy

Computers and cell phones are not allowed during class. If computers are needed, announcements will be made in advance.

Class Schedule and Reading Assignments

Lecture 1 (6/27, Thursday)

Introduction and Preview of Topics

Lecture 2 (7/1, Monday)

Introduction: Global Economics

- [A-1] International Monetary Fund, "World Economic Outlook," April 2018. <file:///C:/Users/iha/Downloads/text.pdf>
- [A-2] Raymond J. Ahearn, "Rising Economic Powers and the Global Economy: Trends and Issues for Congress," Congressional Research Service Report, August 22, 2011. <https://fas.org/sgp/crs/misc/R41969.pdf>

Lecture 3 (7/2, Tuesday)

Topic 1: Interest Rate, Inflation, and Exchange Rate

- [B-1] Jeffrey Frieden, "Globalization and Exchange Rate Policy." *The Future of*

Globalization. Ed. Ernesto Zedillo, Chapter 18, pp. 344-357, New York: Routledge, 2008.

https://scholar.harvard.edu/files/jfrieden/files/globalization_and_exchange_rate_policy.pdf

- [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.
http://www.ijhssnet.com/journals/Vol_2_No_4_Special_Issue_February_2012/11.pdf

Lecture 4 (7/3, Wednesday)

Topic 2: U.S. Fiscal Policy and Monetary Policy

- [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
<https://www.federalreserve.gov/newsevents/speech/yellen20160826a.htm>
- [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
<http://sims.princeton.edu/yftp/JacksonHole16/JHpaper.pdf>
- [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.
<http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf>
- [C-4] Ben Bernanke, "Why are interest rates so low, part 2: Secular stagnation," Brookings blog, March 31, 2015.
https://pages.wustl.edu/files/pages/imce/fazz/bernanke_secstag_1504.pdf

Lecture 5 (7/4, Thursday)

Topic 3: International Monetary System: Reserve Currency and IMF's SDR

- [D-1] Emmanuel Farhi, Pierre-Olivier Gourinchas and H el ene Rey, "Reforming the International Monetary System", Centre for Economic Policy Research, 2011.
<https://voxeu.org/sites/default/files/file/Reforming%20the%20International%20Monetary%20System.pdf>
- [D-2] China, the Yuan and the IMF: Double or Quits, European Council on Foreign Relations, February 2016.
http://www.ecfr.eu/page/-/CA_FEB_2016.pdf

Lecture 6 (7/8, Monday)

Topic 4: Secular Stagnation and Japanization

- [E-1] Lawrence Summers, "U.S. Economic Prospects: Secular Stagnation, Hysteresis, and the Zero Lower Bound," *Business Economics*, 49(2), 65-73. February 24, 2014.
<http://larrysummers.com/wp-content/uploads/2014/06/NABE-speech-Lawrence-H.-Summers1.pdf>
- [E-2] Ben Bernanke, "Why are interest rates so low, part 2: Secular stagnation," Brookings blog, March 31, 2015.
https://pages.wustl.edu/files/pages/imce/fazz/bernanke_secstag_1504.pdf

Lecture 7 (7/9, Tuesday)

Topic 5: Future of Cryptocurrencies – Bitcoin and Beyond

- [F-1] Andy Extance, "Bitcoin and Beyond", *Nature*, Vol. 526, pp. 21-23, October 2015.
https://www.nature.com/polopoly_fs/1.18447!/menu/main/topColumns/topLeftColumn/pdf/526021a.pdf
- [F-2] François R. Velde, "Bitcoin: A Primer," *Chicago Fed Letter*, Number 317, December 2013.
<https://www.chicagofed.org/publications/chicago-fed-letter/2013/december-317>

Lecture 8 (7/10, Wednesday)

Midterm Examination (Topics 1 through 5)

Lecture 9 (7/11, Thursday)

Topic 6: The Great Recession and the Global Financial Crisis of 2007-2008

- [G-1] Peter Temin, "The Great Recession and the Great Depression," *NBER Working Paper Series*, Working Paper 15645, January 2010.
<http://www.nber.org/papers/w15645.pdf>
- [G-2] Stijn Claessens and M. Ayhan Kose, "Financial Crises: Explanations, Types, and Implications," *IMF Working Paper* 13-28, January 2013.
<https://www.imf.org/external/pubs/ft/wp/2013/wp1328.pdf>

Lecture 10 (7/15, Monday)

Topic 7: The European Financial Crisis

- [H-1] The European Financial Crisis: Analysis and a Novel Intervention, Harvard University, June 2014.
<https://scholar.harvard.edu/files/markesposito/files/eurocrisis.pdf>
- [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.
<http://www2.iadb.org/intal/catalogo/PE/2012/10294.pdf>

Lecture 11 (7/16, Tuesday)

Topic 8: Unconventional Monetary Policy: Quantitative Easing (QE)

- [I-1] Kenneth Rogoff, "Was quantitative easing best way to boost US economy?," *The Boston Globe*, March 1, 2015.
https://scholar.harvard.edu/files/rogoff/files/was_quantitative_easing_best.pdf
- [I-2] Michael Joyce, David Miles, Andrew Scott, and Dimitri Vayanos, "Quantitative Easing and Unconventional Monetary Policy – An Introduction," *The Economic Journal*, 122 (November) 2012, 271-288.
http://personal.lse.ac.uk/vayanos/Papers/QEUMCI_EJ12.pdf

Lecture 12 (7/17, Wednesday)

Topic 9: Emerging Chinese Economy

- [J-1] Wayne Morrison, "China's Economic Rise: History, Trends, Challenges, and Implications for the United States," October 21, 2015, Congressional Research Service. <https://fas.org/sgp/crs/row/RL33534.pdf>

- [J-2] OECD Economic Surveys: China, OECD, March 2015.
<http://www.oecd.org/eco/surveys/China-2015-overview.pdf>

Lecture 13 (7/18, Thursday)

Topic 10: Japan's Lost Decades and Abenomics

- [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.
<http://www.unescap.org/sites/default/files/Abenomics-Farhad-ADBI-WP-No492-2014.08.01.pdf>
- [K-2] Hanns Günther Hilpert, "Japan after Two Years of Abenomics," German Institute for International and Security Affairs, April 2015. https://www.swp-berlin.org/fileadmin/contents/products/comments/2015C20_hlp.pdf
- [K-3] Tanweer Akram, "Japan's Liquidity Trap," *Levy Economics Institute Working Paper* 862, March 2016.
http://www.levyinstitute.org/pubs/wp_862.pdf

Lecture 14 (7/22, Monday)

Special Topics and Review of Topics

Lecture 15 (7/23, Tuesday)

Last Day of Class

Final Examination (Topics 1 through 10)