

Econ 476: International Finance

Spring 2025

College of William & Mary

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Office Hours: Mon/Wed 3:30pm – 4:30pm
(or by appointment)
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Section:	Day/Time	Location	Final Exam
01	Mon/Wed 5 - 6:20pm	Chancellors Hall 123	May 6 th 7p-10p

Course Description:

This course will provide a discussion of international topics of macroeconomic interest. Think of this course as divided into three parts.

I. Exchange Rate Determination: In this part we will understand exchange rates, purchasing power parity, and how macroeconomic policies affect exchange rates.

II. Balance of Payments: How does exchange rate influences a country's budget? How do change in domestic economic conditions affect exchange rate?

III. International Monetary Systems: Different exchange rate policies and evolution of international monetary systems.

Textbook:

- Robert C. Feenstra and Alan M. Taylor, International Economics, 5th Ed (ISBN: 9781319218508).

Note: Older versions of textbooks are acceptable too. You will be responsible for ensuring that the older textbook material is consistent with the lectures.

Additional Readings:

During the course, I will make available supplementary required reading material via Blackboard. Students are also encouraged to read articles from leading newspapers, all of which can be accessed through the [W&M library](#).

Prerequisites:

ECON 304 (Intermediate Macroeconomics). Students are also expected to know linear algebra, how to solve system of equations, do simple calculus, and graph equations.

General Course Expectations:

You are responsible for attending the class and ensuring that you take proper notes. Everything covered in the slides and class may be quizzed on exams. You are strongly encouraged to participate in class and to ask questions, in class or office hours. Your success in the course will be greatly determined by being attentive in class, keeping up with the material and HW, and ensuring that your doubts are addressed earlier rather than later.

Assignments:

The class will have a total of 4 HW assignments each of which will be 50 points. . I will consider best 3 out of 4 submissions for final grades. Together the HWs will account for 30% of your total grades. Homework assignments will be available on Gradescope a week before deadline. Please refer to the course outline at the end of the syllabus for HW deadlines. All submissions will be through Gradescope. No email submissions will be accepted.

Some rules to keep in mind- Late assignments will not be graded and this is non-negotiable. If you are submitting scans of handwritten HWs, please make sure that your handwriting is legible, and your scans are clear and in pdf format. Do not submit pictures of assignments. You can use iPhone notes or CamScanner app to scan your HWs. You are encouraged to work together on assignments. However, each student must submit their own work.

Examinations:

There will be a Midterm exam in addition to the Final exam. The midterm will be 100 points and will account for 20% of your grade. The final exam will be cumulative and will account for 30% of your total grade. Refer to the end of the syllabus for exam dates.

Examination Absence Policy:

There is no remake available for the exams. If you miss the midterm exam due to a medical emergency, I will replace your score with your (adjusted) score on the final exam.

Group Project:

The goal of this project is for you and your team to analyze an international-finance-related economic crisis in a country of your choice (not the U.S.) with the help of the models and concepts we learned in class. You will then share your findings with the class in a 10–15 minute presentation in the last 2 weeks. More details will be available after the Spring break.

Grading Policy:

Grades will be assigned according to the following rubric-

Assignments (Best 3 of 4)	150	30%
Project & Presentation	100	20%
Midterm	100	20%
Final	150	30%

Below is the grading scale for this class.

Grade	Points	Grade	Points
A	500-470	C	369-350
A-	469-450	C-	349-335
B+	449-425	D+	334-320
B	424-405	D	319-300
B-	404-385	D-	299-275
C+	384-370	F	<275

Extra Credit Policy- There are no extra credits in this class.

Policy on use of AI:

All work submitted in this course, whether in draft or final form, must be your own and must be cited appropriately. The use or incorporation of any AI-generated content (from ChatGPT, DALL-e, etc.) in assignments is not allowed.

Academic Honesty:

I expect everyone to follow the Honor Code. Please see your student handbook for details. “As a member of the William and Mary community, I pledge on my honor not to lie, cheat, or steal, either in my academic or personal life. I understand that such acts violate the Honor Code and undermine the community of trust, of which we are all stewards.” A minimum penalty for any breach of academic integrity is the grade of “F” for the course.

Student Accessibility Services:

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see <https://www.wm.edu/sas>.

Mental and Physical Well-Being:

I recognize that students juggle different responsibilities and can face challenges that make learning difficult. There are many resources available at W&M to help you navigate emotional/psychological, physical/medical, material/accessibility concerns, including:

- The W&M Counseling Center, 757-221-3620 (services are free and confidential)
- The W&M Health Center, 757-221-4386
- For additional resources, visit <https://www.wm.edu/offices/wellness/resources/>.

Course Outline – Econ 476:

Lecture	Date	Topics	Deadlines/Holidays
Lecture 1	Jan 22 nd	Introduction & Ch 13	
Lecture 2	Jan 27 th	Ch 13: Introduction to Exchange Rates	
Lecture 3	Jan 29 th	Ch 13: Introduction to Exchange Rates	
Lecture 4	Feb 3 rd	Ch 15: Exchange Rates II: The Asset Approach	
Lecture 5	Feb 5 th	Ch 15: Exchange Rates II: The Asset Approach	Feb 7 th – Assignment 1 Due
Lecture 6	Feb 10 th	Ch 15: Exchange Rates II: The Asset Approach	
Lecture 7	Feb 12 th	Ch 14: Exchange Rates I: The Monetary Approach	
Lecture 8	Feb 17 th	Ch 14: Exchange Rates I: The Monetary Approach	
Lecture 9	Feb 19 th	Ch 14: Exchange Rates I: The Monetary Approach	Feb 21 st – Assignment 2 Due
Lecture 10	Feb 24 th	Ch 16: Balance of Payments Introduction	
Lecture 11	Feb 26 th	Ch 16: Balance of Payments Introduction	
Lecture 12	Mar 3 rd	Ch 16: Balance of Payments Introduction	
Lecture 13	Mar 5 th	MIDTERM	
Lecture 14	Mar 10 th		Spring Break – No class
Lecture 15	Mar 12 th		Spring Break – No class
Lecture 16	Mar 17 th	Ch 17: Balance of Payments I	
Lecture 17	Mar 19 th	Ch 17: Balance of Payments I	
Lecture 18	Mar 24 th	Ch 17: Balance of Payments I	
Lecture 19	Mar 26 th	Ch 18: Balance of Payments II	Mar 28 th – Assignment 3 Due
Lecture 20	Mar 31 st	Ch 18: Balance of Payments II	
Lecture 21	Apr 2 nd	Ch 18: Balance of Payments II	
Lecture 22	Apr 7 th	Ch 19: Fixed vs Floating Exchange Rates	Seminar – Online Lecture
Lecture 23	Apr 9 th		Seminar – No class
Lecture 24	Apr 14 th	Ch 19: Fixed vs Floating Exchange Rates	
Lecture 25	Apr 16 th	Ch 19: Fixed vs Floating Exchange Rates	
Lecture 26	Apr 21 st	Ch 20: Exchange Rate Crisis	
Lecture 27	Apr 23 rd	Ch 20: Exchange Rate Crisis	May 25 th – Assignment 5 Due
Lecture 28	Apr 28 th	Class Presentations	
Lecture 29	Apr 30 th	Class Presentations	
	May 6 th	FINAL EXAM	

*The course outline is tentative and can change depending on class performance.