

International Finance

Spring Semester 2022

Lectures: Monday, 21.02.2022 – 30.05.2022, 12:15 – 14:00, HS 110 (Audimax)
No class on Monday, 18.04.2022 (Easter Monday)

Q&A: Monday, 30.05.2022, HS 110 (Audimax)

Final Exam: 1st date: Thursday, 09.06.2022, 16:15 – 17:45, HG 201
2nd date: Tuesday, 06.09.2022, 08:15 – 09:45, HG 205

Attention: *No additional chances can be provided for the Final Exam.*

Credit: 4.5 ECTS

Overview

We live and interact with each other in a growingly interconnected and complex global environment. In this course, we explore how this global economic system gradually emerged as an unplanned result in a series of governmental and corporate responses to a variety of opportunities and threats arising from within. The course is divided into three parts. In the first part, we analyze how governments integrate national economies into global markets while designing policies that protect national wellbeing. In the second part, we investigate how corporations seize business opportunities abroad while designing policies that mitigate risk arising from operating in a global business environment. In the third and final part, we discuss how our global economic system could collectively be redesigned to everyone's wellbeing within planetary boundaries rather than continue letting it take its course as individual governments and corporations fight for survival.

Course Outline

Part I: Governments' integration into a global economy	
Date	Content
21.02.2022	Introduction and outline of the course
28.02.2022	Trade and balance of payments
07.03.2022	Global currency market
14.03.2022	– Exchange rates and central bank intervention
21.03.2022	– History of international monetary system

28.03.2022	– Parity conditions in the foreign exchange (FX) market
04.04.2022	Political trilemma of the world economy

Part II: Corporate decision-making in a global economy

11.04.2022	Geographical expansion and the rise of multinational corporations
25.04.2022	Risk management
02.05.2022	– Global risks (currency, country, and geopolitical) and international diversification – Hedging strategies

Part III: Redesigning the global economy

09.05.2022	Social dilemmas arising in economic relationships
16.05.2022	– Incomplete contracts and externalities – Cooperation and social capital
23.05.2022	Various policy examples
30.05.2022	Q&A Session

Course material

- The relevant course material are slides and exercises. All course material will be published via ILIAS or handed out in class.
- The three exercises (one for each part of the course) will not be graded. Solutions will be available via ILIAS.

Additional readings

- Shapiro, A. 2010. *Multinational Financial Management*, 9th Edition
- Bowles, S., Carlin, W. and Stevens, M. 2017. Unit 1, 4, and 18 in The CORE team, *The Economy*.

Q&A Session

- There will be a Q&A session:

Monday, 30.05.2022, HS 110

- In these sessions we discuss questions from students regarding the courses.
- Please send possible questions at least five days before the Q&A session by email to Demian Berchtold (demian.berchtold@unibe.ch).

Final Exam

- Grading scale: 1 to 6.
- Two different dates for the Final Exam are offered:

1st date: Thursday, 09.06.2022, 16:15 – 17:45, HG 201

2nd date: Tuesday, 06.09.2022, 08:15 – 09:45, HG 205

- We **will not offer any other dates** to write the exam.
- The participation in the 1st term is **not** mandatory.
- Permitted auxiliary means are a programmable calculator as well as a two-sided A4-sheet, on which formulas etc. can be noted.
- A registration to the Final Exam on KSL is required. The rules of the WISO-faculty apply.
- Please check KSL for registration and deregistration deadlines. We **will not** accept late registrations.
- The general exam regulations according to the “Reglement über das Studium und die Leistungskontrollen (RSL)” are mandatory, in particular article 41 and article 42.
- The exam covers the subject matter of the entire course including the lectures, exercises, and any case studies used in class.

Course Mentoring

Questions about the lecture or the exercises can be posted anytime in the forum on ILIAS. Consultation-hours can be arranged individually with Melanie Krähenbühl (melanie.kraehenbuehl@unibe.ch) or Demian Berchtold (demian.berchtold@unibe.ch).

General Information

General information about exam dates and course cycles is available on our webpage: <http://www.ifm.unibe.ch>.