

**Econ-424: International Payments, Winter 2026 – Course Syllabus**

<b>Time and place</b>	Fridays, 11:35 – 14:25 in ARTS 150
<b>Instructor and TAs</b>	<p>Instructor information:</p> <ul style="list-style-type: none"> <li>- Julian Karaguesian; Email: <a href="mailto:Julian.karaguesian@mcgill.ca">Julian.karaguesian@mcgill.ca</a></li> <li>- Office Hours: Thursdays 2-5pm in LEA 321 D or online</li> </ul> <p>Teaching Assistant information</p> <ul style="list-style-type: none"> <li>- Aurelius yuan; Email: <a href="mailto:aurelius.yuan@mail.mcgill.ca">aurelius.yuan@mail.mcgill.ca</a></li> <li>- Office Hours: TBA</li> </ul>
<b>Pre-requisites</b>	ECON 230D1/D2 or ECON 250D1/D2
<b>Subject matter</b>	<p><u>Content:</u> International Payments is the official name of this course, but it is a study of international macroeconomics and finance - history, theory and policy. Topics will include current account and overall balance of payments dynamics, exchange rates and exchange rate regimes, capital movements, global capital markets and the international financial and monetary system, as well as macroeconomic policy in a globalized world, financial capitalism and financial crises, optimum currency areas and key international organizations such as the IMF, World Bank and OECD. This course will also examine so-called “shocks” to the global system, including geopolitical tensions and conflict, geoeconomic rivalry, pandemics, climate change, political movements, and other developments that are endogenous to the system.</p> <p><u>Approach:</u> this course is heavily reality- and policy-focused, with a significant interdisciplinary grain. Reading the Financial Times, Economist, Wall Street Journal and Economist on a regular basis is highly recommended.</p> <p><u>Framework:</u> the model and overarching framework developed in this course and that underpins all analysis is a modernized Mundell-Fleming model – an interconnected system of relationships between key macroeconomic variables across countries’ real and financial sectors.</p> <p><u>Maths and numbers:</u> There will be Algebra, and some (basic) calculus. Evaluation will be based primarily on economic concepts more than mathematical ones. Comprehension of mathematics as a tool not an end in itself.</p> <p><u>Objective:</u> to help provide you with a fundamental understanding of the global economic system and its constituent economies, policies and policy spillovers, financial and other markets, and the interlinkages across economies, markets, politics, geopolitics – as well as social and environmental dynamics.</p>

<p><b>Required course materials and readings</b></p>	<p>The only required course material to be purchased or otherwise acquired is the textbook <i>International Finance: Theory and Policy</i> 12th Edition, by Krugman, Obstfeld and Melitz. There will also be other reading material, articles, etc. So, we will use the text as a guide only, but lectures will be based upon a wider range of sources. These will come from the OECD (<a href="http://www.OECD.org">www.OECD.org</a>), the IMF (<a href="http://www.IMF.org">www.IMF.org</a>), the WTO (<a href="http://www.wto.org">www.wto.org</a>), the Economist, the Financial Times (<a href="http://www.FT.com">www.FT.com</a>) – the latter to which you have a free subscription through McGill University and other sources. I will post them on a regular basis.</p>
<p><b>Evaluation part A<sup>1</sup></b></p>	<p>Grading: (1) Assignment or quiz – 15%, with the date TBC; (2) Mid-Term – 30% to take place 20 FEB 2026; (3) Final – 55%, date TBC by Exams Office.</p>
<p><b>Evaluation part B: Midterm, and absence from quizzes &amp; Exams</b></p>	<p>The assignment will have a hard deadline. The midterm is mandatory other than for reasons of medical illness, for which a note is required explaining why one cannot sit for the exam. Absences from the April final are addressed by the Associate Dean of Arts. A deferred exam in the Summer of 2026 will count for 60 per cent of your grade. In the event of a failing grade, a supplemental exam would count for 100 per cent of your grade. <b><i>Please do not book any travel until after the exam schedule has been published, including midterm exams. There are no make-up exams for the midterm.</i></b></p>
<p><b>Course delivery, and classroom participation, etiquette, and communications via email</b></p>	<p>All lectures in person. Participation is strongly encouraged. Feel free to question all that you are presented, not only on technical grounds, but also on logical and philosophical. One of my key objectives is to have a dialogue on the economics of trade in the 21st Century. <b>Attendance is recommended.</b></p> <p>I realize many have hectic schedules and that it's a busy planet, but please do your best to arrive on time and stay through until the end to minimize class disruption. <b>Please keep all your devices turned off during class.</b></p> <p><b>Email Communication:</b> In the first instance, please email the TA. I can only respond to emails about urgent matters. Issues related to content can be discussed in class or office hours. Please <u>do not email</u> me about the contents and timing of exams as I cannot / will not respond. The dates, times and locations of the midterm and assignment will be posted on mycourses, as well as any material and other information relevant to the course.</p>
<p><b>Academic Integrity</b></p>	<p>McGill University values academic integrity. Therefore, all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures. McGill's policy on Academic Integrity can be found <a href="#">here</a>.</p> <p>L'université McGill attache une haute importance à l'honnêteté académique. Il incombe par conséquent à tous les étudiants de comprendre ce que l'on entend</p>

<sup>1</sup> Please inform me if you are on a special scholarship and there are timing conflicts with exams.

	<p>par tricherie, plagiat et autres infractions académiques, ainsi que les conséquences que peuvent avoir de telles actions, selon le Code de conduite de l'étudiant et des procédures disciplinaires (pour de plus amples renseignements, veuillez consulter le <a href="#">guide pour l'honnêteté académique de McGill</a>)</p>
<p><b>Language of submission</b></p>	<p>In accord with McGill University's <a href="#">Charter of Student Rights</a>, students in this course have the right to submit in English or in French any written work that is to be graded. This does not apply to courses in which acquiring proficiency in a language is one of the objectives.</p> <p>Conformément à <a href="#">la Charte des droits de l'étudiant</a> de l'Université McGill, chaque étudiant a le droit de soumettre en français ou en anglais tout travail écrit devant être noté, sauf dans le cas des cours dont l'un des objets est la maîtrise d'une langue.</p>
<p><b>Use of AI for Reports</b></p>	<p>Students may use artificial intelligence tools, including generative AI, in this course as learning aids or to help produce assignments. However, students are ultimately accountable for the work they submit. Students must submit, as an appendix with any assignments, any content produced by an AI tool, and the prompts used to generate the content. The documentation should also include what tool(s) were used, how they were used, and how the results from the AI were incorporated into the submitted work. Any content produced by an AI tool must be cited appropriately. Many organizations that publish standard citation formats are now providing information on citing generative AI (view, for instance, the U of T Libraries Citation Guide for Artificial Intelligence Generative Tools or discuss with the McGill Librarians). If in doubt, please contact me.</p>
<p><b>Useful Websites</b></p>	<p>There are a lot of websites you can use to have information about development economics, development policies as well as current events (and even have some views about them):</p> <p>Multilateral organizations:  <a href="https://www.worldbank.org/en/home">https://www.worldbank.org/en/home</a>  <a href="https://www.imf.org/en/Home">https://www.imf.org/en/Home</a>  <a href="https://www.oecd.org">https://www.oecd.org</a>  <a href="https://www.wto.org">https://www.wto.org</a></p> <p>Current events:  <a href="http://www.ft.com">www.ft.com</a>  <a href="https://www.economist.com">https://www.economist.com</a>  <a href="https://www.aljazeera.com">https://www.aljazeera.com</a>  <a href="https://www.theguardian.com/international">https://www.theguardian.com/international</a>  <a href="https://www.bbc.com/news">https://www.bbc.com/news</a> (with their Asia, Africa, Latin America sections)</p>

