

# Globalisation and Financial Markets (CM)

## Mastère Economie et Management 1 Mention Affaires Internationales Hiver 2010

Ce cours de 20 heures fait partie des études de Sciences économiques et de Gestion à l'Université d'Angers. Il est obligatoire pour les étudiants en première année de mastère, mention affaires internationales. Le cours magistral est accompagné de 10 heures de travaux dirigés.

**Il est enseigné en anglais.**

<u>Horaires :</u>	Le lundi de 14h00 à 16h00 (attention : horaires variables !)
<u>Salle :</u>	variable
<u>Première séance :</u>	13 janvier 2010
<u>Heures de bureau :</u>	sur RDV, écrire à Guido.Hulsmann@univ-angers.fr
<u>Site Internet :</u>	<a href="http://www.guidohulsmann.com">www.guidohulsmann.com</a>

## Evaluation

Oral Exam (100%).

## Contents and objectives

In our course we will stress the relation between production and finance (between the “real” economy and financial markets) in an international context. Our exposition will be bottom-up, starting with the most general problems and then turning to more and more specific issues. Among other aspects we will deal with the evolution of international financial markets since 1971 and discuss derivative security markets and foreign-exchange markets.

We will first analyse both real and monetary mechanisms of a market economy (lectures 1-2). Then we shall study how the market economy is financed (lectures 3-6), focussing on the various forms and institutions of financial intermediation. Finally we will turn to examine the impact of monetary policy on investment, exchange rates, and the stability of financial markets (lectures 7-10).

Our main objective is to familiarise the students with the economic principles of financial markets and thus to prepare them for successful investment.

# Bibliography

## Main References (available in the St. Serge university library)

- Stephen Valdez, *An Introduction to Global Financial Markets* (4<sup>th</sup> ed., London: Palgrave Macmillan, 2007).
- F. Mishkin & S. Eakins, *Financial Markets and Institutions* (4<sup>th</sup> ed., Boston: Addison Wesley, 2003).
- Murray N. Rothbard, *Man, Economy, and State* (4<sup>th</sup> ed., Auburn : Mises Institute, 2004). Cote 33055 ROT

## Reading Suggestions:

- P. Howells & K. Bain, *Financial Markets and Institutions* (3<sup>rd</sup> ed., London: Pearson, 2000).
- J.G. Hülsmann, *The Ethics of Money Production* (Auburn, Ala.: Mises Institute, 2008).
- J. Madura, *Financial Markets and Institutions* (New York: West, 1989).
- P. Schwartz, *Euro as Politics* (London: Institute of Economic Affairs, 2004).

## Plan (CM)

1. Production
2. Investment in a Market Economy
3. Investment and Savings without Financial Markets
4. Financial Markets without Intermediaries
5. Financial Agents
6. Market-Based Finance
7. Monetary Policy in Europe and the US
8. Monetary Policy and Investment
9. Exchange-Rate Policy
10. Stabilisation Policies and Financial Markets

## Plan (TD)

1. Political Risk
2. “Doing Business” and other country rankings
3. Exchange-Rate Determination
4. Balance of Payments
5. International Monetary Systems