

Globalisation and Financial Markets (CM)

Mastère Economie et Management 1 Mention Affaires Internationales Hiver 2011

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>	horaires variables
<u>Salle :</u>	variable
<u>Première séance :</u>	10 janvier 2011
<u>Heures de bureau :</u>	sur RDV, écrire à Guido.Hulsmann@univ-angers.fr
<u>Site Internet :</u>	www.guidohulsmann.com

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.

Guest Lecturer

Professor Shawn RITENOUR from Grove City College (USA).

Bibliography

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

Stephen Valdez, *An Introduction to Global Financial Markets* (4th ed., London: Palgrave Macmillan, 2007).

F. Mishkin & S. Eakins, *Financial Markets and Institutions* (4th ed., Boston: Addison Wesley, 2003).

Murray N. Rothbard, *Man, Economy, and State* (4th ed., Auburn : Mises Institute, 2004). Cote 33055 ROT

Reading Suggestions:

P. Howells & K. Bain, *Financial Markets and Institutions* (3rd ed., London: Pearson, 2000).

J.G. Hülsmann, *The Ethics of Money Production* (Auburn, Ala.: Mises Institute, 2008).

Class Schedule (CM/lecture)

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

Class Schedule (TD/applied)

1. Political Risk: the “Doing Business” country ranking (Ritenour)
2. Basic financial techniques: (a) leverage; (b) bank multiplier (Ritenour)
3. Options: Gains, Losses, Pricing (Ritenour)
4. The Basel Rules and Securitisation (Hülsmann)
5. Exchange-Rate Determination (Hülsmann)

Time Line

	10/1	11/1	12/1	14/1	17/1	24/1	7/2	14/2	21/2	22/2
10h00-12h00	Riten. CM 1	Hülsm. CM 3	Riten. CM 5	Riten. TD 1	Riten. TD 3					Hülsm. CM 10
13h00-15h00	Hülsm. CM 2	Riten. CM 4	Hülsm. CM 6	Riten. TD 2	Hülsm. CM 7*	Hülsm. CM 8*	Hülsm. TD 4*	Hülsm. CM 9*	Hülsm. TD 5*	

*14h00-16h00