

Syllabus: Advanced International Capital Movements

Instructor: Sok Tae Kim, CFA, CAMS

Class Hours: 11:00am – 1:00 pm (Room 1029-1)

Office Hours: Thursday 10:00-11:00 or by appointment

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Course Description

This course examines the complexities of international capital flows in the age of globalization and deglobalization. It emphasizes global stock and bond markets, foreign direct investment (FDI), global supply chain finance, and the regulatory role of the Financial Action Task Force (FATF). Through theoretical frameworks, empirical studies, and case analyses—including Korea's experiences—the course equips students to critically evaluate capital mobility and its policy implications.

Learning Objectives

By the end of the course, students will be able to:

1. Analyze the determinants and volatility of global capital flows.
 2. Assess international investment strategies in equities and bonds.
 3. Evaluate the impact of global supply chain restructuring on capital movements.
 4. Critically analyze trends in FDI and their policy implications for emerging markets.
 5. Understand FATF standards, financial integrity, and implications for cross-border finance.
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Weekly Schedule

Week 1 – Introduction & Theories of International Capital Movements

- Classical vs. modern theories (Mundell-Fleming, portfolio balance, Lucas paradox).

Week 2 – Global Stock Investment

Week 3 – Global Bond Investments

Week 4 – Exchange Rates, Interest Rates, and Carry Trade

Week 5 – Global Supply Chains & Capital Movements

Week 6 – Foreign Direct Investment (FDI): Theories and Trends

Week 7 – FDI and Emerging Market Development

Week 8 – Midterm Exam

Week 9 – International Capital Flow Volatility & Crisis Episodes

Week 10 – FATF and Global Financial Integrity

Week 11 – Offshore Finance, Tax Havens & Illicit Flows

Week 12 – Capital Movements and Sustainable Development

Week 13 – Korea's Capital Account Policy

Week 14 – Current Issues: Deglobalization & Geoeconomics

Week 15 – Final Exam

Evaluation:

- **Final Exam: 40%**
 - **Class Attendance :20%**
 - **Mid-term Exam and Quizzes: 30%**
 - **Class Participation: 10%**
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Key Texts & References

- Obstfeld, M., & Taylor, A. (2004). *Global Capital Markets: Integration, Crisis, and Growth*.
- Eichengreen, B. (2019). *Globalizing Capital: A History of the International Monetary System*.
- Krugman, P., Obstfeld, M., & Melitz, M (2018), *International Economics: Theory and Policy* (ver 11th)