



## **LANDMARK UNIVERSITY, OMU-ARAN**

**COLLEGE: COLLEGE OF BUSINESS & SOCIAL SCIENCES**  
**DEPARTMENT: ACCOUNTING & FINANCE**  
**PROGRAMME: BANKING & FINANCE**  
**COURSE COMPACT for BFN 413**

### **Course**

Course code: **BFN 413**  
Course title: **International Monetary Relations and Finance**  
Credit unit: 3  
Course status: **COMPULSORY**

### **Course Duration**

*Three hours per week for 15 weeks (45hours)*

### **LECTURER'S DATA**

**Name of the lecturer:** Dr S.Akinmulegun  
**Qualifications obtained:** B.Sc., M.Sc., PhD  
**Department:** Accounting & Finance  
**College:** College of Business & Social Sciences  
**E-mail:** mrakinmuleguns@yahoo.com  
**Office Location:** Adjunct

### **LECTURER'S DATA**

**NAME OF THE LECTURER:** Dr Joseph Falaye  
**QUALIFICATIONS OBTAINED:** B.Sc., MBA, PhD  
**DEPARTMENT:** Accounting & Finance  
**COLLEGE:** College of Business & Social Sciences  
**E-MAIL:** falaye.adebanjo@lmu.edu.ng  
**OFFICE LOCATION:** Room A 120 New College Building 1st Floor  
**CONSULTATION HOURS:** Wednesday - Friday 2:00pm-3:00pm

**COURSE DESCRIPTION:**

The course is a continuation of BFN 313 (International Finance), which introduced students to the bilateral and multilateral financial relationships that exist among nations. Topics include globalization in trade and finance, the reform of the global financial system, role and sources of foreign finance, flow of external finance, offshore investment, and countries debt management.

**COURSE JUSTIFICATION:**

Nations are increasingly becoming interdependent overtime. Globalisation in production of goods and services has facilitated the study of global financial trends. As cross-border transactions and payments are done in various countries, inter-national capital flows are on the increase between individual corporations and sovereign states engendering the need for students of Banking and Finance to both have a rich perspective of trends in global finance, and stay abreast of the constantly changing global financial market.

**COURSE OBJECTIVES**

At the end of this course, students should be able to have understood:

- the position of African countries in international financial relations
  
- the global financial reforms relative to developing countries financial systems
  
- the difference between foreign aid and foreign investments as they impact on economies

**COURSE CONTENT:**

Internationalization and globalization in finance, the reform of the global financial system, role and sources of foreign finance, flow of external finance, offshore investment, and debt management.

**COURSE EXPECTATION:** This course is a mix of theoretical issues and calculations with a blend of practical issues in the field of International Finance.

**Method of Grading**

S/N	Grading	Score (%)
1	CA 1	7
2	MID SEMESTER TEST(CA2)	15
3	CA 3	8

4	Final Examination	70
	<b>Total</b>	<b>100%</b>

## LECTURE CONTENT

**Week 1:** Globalization in trade and finance, nature, function and transactions in the foreign exchange market. Euro-financing

### Objectives:

Students should be able to know what globalization means. What it means in production, trading, and in Finance. They should be able to freely discuss the causal factors and the effects of globalisation on the local and the global economies. How it has aided the foreign exchange market and the Euro-finance

### Description:

First hour: Introduction to globalization in trade and finance. The causal factors of globalisation and the effects on the local and the global economies

Second hour: The foreign exchange market and Euro-finance. How globalization has aided the foreign exchange market and the Euro-finance

Third hour: Recap on the topic with questions and citation of case studies

### Study Question:

To what extent would you defend the claim that globalisation has added more to human and economic development in Nigeria?

### Reading List:

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.
- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 2:** The role of international money and capital markets and the internationalization of the capital market

**Objectives:**

At the end of these classes the student should know the importance of international money and capital markets. What they mean. The key instruments of trade and the steps involved in making a local capital market become international..

**Description:**

First Hour: Definition of the international money and capital markets and their components

Second Hour: internationalization of the capital market

Third Hour: Recap on the topic with review questions.

**Study Question:**

Having in view their various components, differentiate between international money and capital markets.

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.
- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

### **Week 3: Developing countries and the reform of international financial system**

#### **Objectives:**

At the end of the week, students would be expected to have known what the international financial system means. They should be able to freely discuss the reforms, and the antecedents. Equally expected to have been known at the end of the week are the impacts of the reforms on developing countries.

#### **Description:**

First Hour: Developing countries, developed countries, emerging countries, the international financial system and the reforms

Second Hour: The reforms and the developing countries' perception of it.

Third Hour: Recap on the topic. Question and answer time

#### **Study Question:**

Draw some lines of differences that separate the developed, developing and emerging economies; then discuss how the developing countries have been able to profit from the on-going global financial reforms.

#### **Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.
- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 4:** Role and sources of foreign finance

**Objectives:** At the end of the week, students should have known what the sources of the foreign finance are and the relative importance of the foreign finance sources to the development of countries.

**Description:**

First Hour: Introduction to foreign / external finance

Second Hour: The foreign sources of finance

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

What are the sources of foreign capital that you would consider most favourable to the growth of the Nigeria economy?

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I

- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.
- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 5:** Flow of external finance to developing countries

Objectives: At the end of the week, students should have known what the flow of external finance means to the developing countries. Which countries are classified as developing and which finance source is classified as external

**Description:**

First Hour: Introduction, Flow of external finance

Second Hour: Historical trend of the flow of external finance to the developing countries

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

State in the category in which Nigeria qualifies as a donor nation and richly discuss the merits and demerits of external flow of finance to the developing countries in Africa?

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 6:** Capital flight and forex leakages, borrowing on concessional and non-concessional terms

**Objectives:** At the end of the week, students should have known what capital flight means. They should be able to freely define forex leakages, and the economic importance of forex leakages to the economy.

**Description:**

First Hour: Defining capital flight and forex leakages.

Second Hour: Rich explanation of concessional and non-concessional borrowing terms

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

Discuss the economic importance of capital flight and forex leakages to economic growth. What is economic growth?

**Reading List**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.



- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

## **Week 7:** Foreign aid and foreign investments

### **Objectives:**

At the end of the week, students should have known the meanings of foreign aid and foreign investments. What they imply to nations self-actualised growth and national development

### **Description:**

First Hour: Introduction: foreign aid and foreign investments

Second Hour: Economic importance of foreign aid and foreign investments

Third Hour: Recap on the topic. Question and answer time

### **Study Question:**

Differentiate between foreign aid and foreign investments and explain why you would prefer foreign investments to foreign aid.

### **Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 8:** MID SEMESTER TEST

**Week 9:** Offshore investment

**Objectives:**

Students should know the meaning of offshore investments. The economic importance of offshore investments to the nation

**Description:**

First Hour: Introduction to offshore investments

Second Hour: The relative importance of offshore investments

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

Explain in clear terms what offshore investments are desirable.

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week10:** International financing, liquidity and debt management

**Objectives:**

Students should know the various approaches to international financing, liquidity and national debt management

**Description:**

First Hour: Definitions of international financing, liquidity and debt management

Second Hour: International financing, liquidity issues and national debt management

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

List and explain three methods of managing national debts apart from financing the debts as they fall due.

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

## **Week 11:** International monetary/financial cooperation

### **Objectives:**

Students should know what international monetary and financial cooperation means. The relative regional and multilateral finance institutions and their economic importance

### **Description**

First Hour: Introduction to international monetary/financial cooperation

Second Hour: Discussing the need for international monetary/financial cooperation

Third Hour: Recap on the topic. Question and answer time

### **Study Question:**

List and explain three methods of making payments abroad.

### **Reading List**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- 5Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Week 12:** Optimum currency areas and financial cooperation among developing countries

**Objectives:**

The aim of this topic is to get the students acquainted with the concept of the optimum currency areas. The extent of financial cooperation among countries in Asia and in Africa.

**Description:**

First Hour: Definition of optimum currency areas and financial cooperation among countries

Second Hour: The economic importance and need for financial cooperation among countries

Third Hour: Recap on the topic. Question and answer time

**Study Question:**

How would you justify the issuance of a unified currency for countries in West Africa?

**Reading List:**

- Ezezobor E.A (2004) International Finance. CIBN Press Ltd Lagos.
- (CIBN PACK) International Finance I
- Michael M and Stephan C N (2013) International money and finance. Academic Press Oxford, UK.

- 5Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.

**Weeks 13 &14:** Revision and Examination

**Recommended Textbooks:**

1. Hingan M L (2011) Money, banking, international trade and public finance. Vrinda Publications (P) Ltd, Mayor Vihar, Phase-1, Delhi.
2. James C V and John M W (2008) Fundamentals of financial management. Pearson Education Ltd, England.
3. Keith P (1998) Finance and financial markets. Macmillan Press, Malaysia.
4. Michael M and Stephan C N (2013) International money and finance. Academic Press (Elsevier), Oxford, UK.
5. Pandey I M (2010) Financial Management. Vikas Publishing House PVT Ltd, Jangpura, New Delhi.
6. Uche H O (2005) New approach to international finance. Commercial Mandate Ltd, Lagos, Nigeria.

HOD's Comments: \_\_\_\_\_

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