



Advanced International Economics I: International Macroeconomics (Summer Semester 2011)

Course information

Course description

This course provides students with the conceptual framework that is required to understand the implications of countries' current account imbalances, to identify the factors that determine the volume and composition of international capital flows, to interpret exchange rate fluctuations, and to assess the scope for monetary and fiscal policy in open economies. The presentation of analytical tools and theoretical concepts will be augmented by a discussion of the empirical evidence.

The lecture will cover the following topics:

- Balance of payments accounting and the intertemporal approach to the current account: A review
- Extending the intertemporal model: The role of demographic change, nontraded goods, and default risk
- International diversification: Portfolio choices and asset prices
- Understanding exchange-rate fluctuations
- Monetary and fiscal policy in open economies

Times and places:

Wednesday, 12.15 p.m. – 01.45 p.m., Room HS 11
Friday, 08.30 a.m. – 10.00 a.m., Room HS 10

Start of course: April 27, 2011.

Note:

There will be a concentration of lectures in the first part of the semester and a concentration of tutorials in the second part. A detailed schedule will be provided at the beginning of the semester.

Fachbereich 03
Rechts- und Wirtschaftswissenschaften

Lehrstuhl für Volkswirtschaftslehre,
insb. International Economics

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Audience:

- Masterstudiengang „**International Economics and Public Policy**“ (**MIEPP**) as part of the module “**Advanced International Economics**”
- Wirtschaftswissenschaften Diplom- und Magister:
Kernfach VWL-Theorie, VWL-Politik, Wahlfach Internationale Wirtschaftsbeziehungen

Prerequisites:

Lectures and tutorials will be given in English. A good command of the English language is therefore required for attending this course.

Literature (preliminary):

Feenstra, R. and M. Taylor (2008): International Economics, Worth Publishers.

Harms, P. (2008): Internationale Makroökonomik, Mohr Siebeck.

Krugman, Paul R. and Maurice Obstfeld (2009): International Economics – Theory and Policy, 8th edition, Addison Wesley.

Mark, N. (2001): International Macroeconomics and Finance.

Obstfeld, M. and K. Rogoff (1996): Foundations of International Macroeconomics.

Sarno, L. and M. Taylor (2003): The Economics of Exchange Rates.

Stock, J. and M. Watson (2007): *Introduction to Econometrics*, 2nd edition, Pearson Education.

Van Marrewijk, Charles (2007): International Economics, Oxford University Press.

A detailed list of references will be distributed at the start of the course.

Reading List and Teaching Materials

... will be available through **ReaderPlus** (<https://www.zdv.uni-mainz.de/readerplus/>). The password will be announced in the first lectures.