

Title of course	M7. C International Monetary Economics
Responsible instructor	Prof Dr Robert Richert
Learning objectives	<ul style="list-style-type: none"> ▪ Interpret different balance-of-payments equilibria ▪ Analyze pros and cons of discretionary exchange-rate policies ▪ Apply time inconsistencies to the intertemporal balance-of-payments theory ▪ Characterize different scenarios of fiscal policy in open economies ▪ Capture different lessons learnt from historical financial crises ▪ Construct guidelines to fight financial crises in a sustainable way ▪ Design major rules to be taken into account for a promising EMU future
Course contents	<ol style="list-style-type: none"> 1. Balance of payments <ol style="list-style-type: none"> 1.1 Sub-balances 1.2 External equilibrium 2. Elasticity approach <ol style="list-style-type: none"> 2.1 Assumptions 2.2 Exchange rate policy measured in national currency 2.3 Exchange rate policy measured in foreign currency 2.4 Evaluation 3. Further balance-of-payments theories <ol style="list-style-type: none"> 3.1 Absorption approach 3.2 Monetary balance-of-payments theory 3.3 Intertemporal balance-of-payments theory 4. Fiscal policy in open economies <ol style="list-style-type: none"> 4.1 Global goods market 4.2 Mundell-Fleming model 5. Financial crises <ol style="list-style-type: none"> 5.1 Descriptive and explanatory analysis 5.2 Lessons learnt 6. European Economic and Monetary Union <ol style="list-style-type: none"> 6.1 Main stages 6.2 European Central Bank 6.3 "Euro crisis" 6.4 Lessons learnt
Teaching methods	<ul style="list-style-type: none"> ▪ Lectures ▪ Exercises ▪ Hermeneutic discourses ▪ Maieutic discourses ▪ Discussion ▪ Project work ▪ Student presentations ▪ Self-study
Prerequisites	There are no formal requirements.
Suggested reading	<p>Preferably most recent edition:</p> <ul style="list-style-type: none"> ▪ Appleyard, D. R. / Field, A. J.: International Economics, Reading/Mass. et al. ▪ Berg, H. van: International Economics, Reading/Mass.

	<ul style="list-style-type: none"> ▪ Pugel, Th. / Lindert, P.: International Economics, Boston et al. ▪ Richert, R.: Internationale Wirtschaftsbeziehungen, Berlin et al. ▪ Lecturer's scripts: Balance of Payments Elasticity Approach Absorption Approach Monetary Balance-of-Payments Theory Intertemporal Balance-of-Payments Theory Fiscal Policy in the Goods Market Mundell-Fleming Model European Economic and Monetary Union
Applicability	<p>This course is in particular applicable to the following Master programmes: International Business and Economics (M.A.; "IBE"), Finance (M.Sc.). This course is also applicable to other business-oriented Master programmes offered by Schmalkalden University of Applied Sciences.</p>
Workload	<p>Total workload: 150 hours, of them:</p> <ul style="list-style-type: none"> ▪ Lecture: 36 ▪ Self-study: 114, of them: <ul style="list-style-type: none"> ▪ Course preparation (in particular reading): 28 ▪ Follow-up: 36 ▪ Preparation for academic research project: 30 ▪ Exam preparation: 20
ECTS credit points and weighting factor	5 ECTS credit points; weighting factor: 5/120 (IBE) or 5/90 (Finance), respectively
Basis of student evaluation	<ul style="list-style-type: none"> ▪ Comprehensive written examination, 90 minutes (80%) ▪ Presentation of student research project (20%)
Time	First academic year
Frequency	Each academic year
Duration	One semester
Course type	Elective course
Remarks	Teaching language is English.