

Sciences Po
Master of Public Affairs 2009-2010

Syllabus, Required Course, (2.5 credits)

International Macroeconomics and Policy Making - Level 1a

Francesco Saraceno

Instructor:

Email: francesco.saraceno@sciences-po.fr

Participation in classes is mandatory. There will be no scheduled office hours, but you can email me at any moment to schedule an appointment.

Course web page: ENTG.

Course Description:

This course covers a wide range of topics, all of which fall under the label of "International Macroeconomics", and cover not only international finance, but also trade-related issues. The European perspective will be very strong, in particular with respect to the debate on growth and institutions.

First, the course aims at giving the students some general theoretical tools that will help them develop a rigorous attitude in analyzing economic problems and especially economic policy issues. Tools for the closed and the open economy will be presented and used to gain insight into some theoretical debates. The second scope of the course is to describe some of the topics that are currently being debated in the academic and political arena. In both the theoretical and the applied parts, the emphasis will be on the interaction between markets and policy makers.

Course Objectives :

The course will be divided in two parts. In the first - and longest - part, the students will become familiar with some tools for analyzing economic problems, with a perspective that is broader than the focus of our course. The scope is to familiarize them with the economist's toolbox.

The last few lectures will be devoted to the analysis of a number of topics related to the current debate on the economic governance of the European Union. This will constitute a first opportunity to put the tools learned during the first part "to work."

By the end of the course, the students will be able to give a rigorous assessment of current economic developments, and to derive policy implications from their analysis.

Course Outline :

The course will consist of twelve classes (2 hours each)

PART I (9-10 classes)

(1) The IS-LM in the closed and open economy. (2) International Finance. (3) Exchange rate fluctuations. (4) Theory of currency Unions.

PART II (2-3 classes)

Unemployment and growth in the US and in Europe: Why so many differences in performance?

The EMU and the theory of Currency Areas.

Fiscal and monetary policy in Europe.

Assessment:

The evaluation will be based on a mid-term (30%), on problem sets (30%) and on a final multiple choice exam (40%)

Books and other materials required:

The textbook to be adopted will be determined before the end of July 2009.