

<b>Georg-August-Universität Göttingen</b> <b>Module M.WIWI-VWL.0086: Macroeconomics of Open Economies</b>	6 C 4 WLH
<b>Learning outcome, core skills:</b> After a successful participation, students have a deep understanding of core concepts in international macroeconomics including current account determination, international capital flows, global imbalances, exchange rate determination, and sovereign debt. They familiarize themselves with the standard two-period dynamic model of international macro and apply it to understand phenomena like twin deficits, aggregate demand shocks, sudden stops, and the European balance of payment crisis. Students learn to critically assess the pros and cons of fix and flexible exchange rates, and the effects of capital account liberalization on economic development.	<b>Workload:</b> Attendance time: 56 h Self-study time: 124 h
<b>Course: M.WIWI-VWL.0086.Lec Macroeconomics of Open Economies (Lecture)</b> <i>Contents:</i> <ul style="list-style-type: none"> <li>• The Balance of Payments</li> <li>• Current Account Determination</li> <li>• External Adjustment in Small and Large Economies</li> <li>• Twin Deficits: Fiscal and Current Account Imbalances</li> <li>• Sovereign Debt</li> <li>• International Capital Market Integration</li> <li>• Financial Development and Global Imbalances</li> <li>• Capital Account Liberalization and Growth</li> <li>• Determinants of the Real Exchange Rate</li> <li>• Aggregate Demand Shocks and Real Exchange Rates</li> <li>• Exchange Rate Policy and Unemployment</li> <li>• The European Balance of Payments Crisis</li> <li>• Monetary Policy and Exchange Rate Determination</li> </ul>	2 WLH
<b>Course: M.WIWI-VWL.0086.Tut Macroeconomics of Open Economies (Tutorial)</b> <i>Contents:</i> In the accompanying tutorials, students should discuss and solve problem sets to deepen and broaden their knowledge of the topics covered in the lectures	2 WLH
<b>Examination: Written examination (90 minutes)</b> M.WIWI-VWL.0086.Mp: Macroeconomics of Open Economies	6 C
<b>Examination requirements:</b> Demonstrate: <ul style="list-style-type: none"> <li>• a profound knowledge of the two-period dynamic general equilibrium model and the ability to apply it to different problems in international macro</li> <li>• a deep understanding of the mechanisms behind current account imbalances, exchange rate movements, and sovereign debt</li> <li>• the ability to solve problems in a verbal, graphical and analytical manner</li> </ul>	
<b>Admission requirements:</b> none	<b>Recommended previous knowledge:</b>

	Macroeconomics, Mathematics for Economists, Econometrics as taught in the Bachelor courses
<b>Language:</b> English	<b>Person responsible for module:</b> Prof. Dr. Holger Strulik
<b>Course frequency:</b> once a year	<b>Duration:</b> 1 semester[s]
<b>Number of repeat examinations permitted:</b> twice	<b>Recommended semester:</b> 1 - 4
<b>Maximum number of students:</b> not limited	