

5.0 credits

30.0 h

Teacher(s) :	Delbecque Bernard ;
Language :	Anglais
Place of the course	Louvain-la-Neuve
Main themes :	<p>This course will provide an up-to-date and understandable analytical framework for analyzing, among others, the - The linkages between monetary policy, interest rates, inflation and output;</p> <ul style="list-style-type: none"> - The relationship between monetary policy, exchange rate arrangements and exchange rates; - The effects of monetary policy on people's expectations and financial markets; - The links between monetary policy and fiscal policy, focusing in particular on the importance of the Stability and Growth Pact for the ECB; - The importance and the limits of international monetary coordination; - The questions raised by Europe's experience of monetary unification.
Aims :	<p>The goal of this course is to understand the determinants and effects of monetary policy in Europe, the main concerns that preoccupy economists and policymakers, the problems faced by the European Central Bank (ECB) in the conduct of its policy in the context of a monetary union, and the interplay of European monetary policy with the other tools of macroeconomic policy.</p> <p><i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i></p>
Content :	<p>The course will develop an analytical framework that will include the following building blocks:</p> <ul style="list-style-type: none"> - A model of determination of interest rate and price levels in the short and long run - A model of floating exchange rates to explain how the ECB can influence the exchange rate of the euro and output in Europe, and to highlight the importance of proper communication to the markets by the ECB - A model of fixed exchange rates to explain why the ECB will never be interested in fixing the exchange rate of the euro vis-à-vis another major currency - An analysis of the process of European monetary unification that led to the adoption of the euro - An analysis of the competition between the euro and the other major currencies <p>The course will be given "ex cathedra". It will be based on chapters of different textbooks as well as on a set of readings. One or two topics will be addressed by an invitee coming from the Belgian Central Bank, the Euro-pean Commission and/or the ECB</p> <p>The course will pay particular attention to recent developments and issues facing monetary policy in Europe.</p>
Other infos :	<p>Some background in macroeconomics.</p> <p>Written exam.</p> <p>Chapters in different textbooks and readings.</p>
Cycle and year of study :	<p>> Master [120] in Multilingual Communication > Master [60] in Economics : General > Master [120] in Economics: General > Master [120] in Mathematical Engineering > Master [120] in Management</p>
Faculty or entity in charge:	ECON