


5 credits

30.0 h

Q1

Teacher(s)	Bodart Vincent ;
Language :	French
Place of the course	Louvain-la-Neuve
Main themes	The course is concerned with the study of the main economic factors and mechanisms that explain the determination of external current accounts, real and nominal exchange rate changes and international capital movements. The main topics of the course are : the ajustement process of the external current account, the determination of nominal and real exchange rates in the short-run and in the long-run, central bank interventions in the foreign exchange market, the impact of the exchange rate regime on macroeconomic fluctuations, and the mechanics of financial crises.
Aims	<p>At the end of the course, the student is supposed to be able to understand precisely the main concepts, arguments, and analyses presented during the class. He must be capable to use the theories presented during the course in order to analyze rigorously international monetary facts and events.</p> <p>-----</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>Contents : Part 1. Definitions and concepts Chapter 1. The balance of payments Chapter 2. Exchange rates : definitions and measures Part 2. The determination of the balance of payments and exchange rates in a general equilibrium macroeconomic framework Chapter 3. The model Chapter 4. The case of flexible rates Chapter 5. The case of fixed exchange rates Part 3. The adjustment process of the external current account Chapter 6. The effects of devaluation : theoretical and empirical aspects Chapter 7. The adjustment process of the external current account in a small open economy Part 4. The determination of exchange rates Chapter 8. Purchasing power parity, nominal and real exchange rates Chapter 9. Exchange rates, expectations, and financial markets : the overshooting phenomena Part 5. Special topics Chapter 10. The mechanics of financial crises Chapter 11. The choice of the exchange rate regime A syllabus is available. The syllabus is supplemented by a list of readings that will be discussed during the class.</p>
Other infos	Undergraduate macroeconomics Oral exam Syllabus + textbooks + readings
Faculty or entity in charge	ECON

<b>Programmes containing this learning unit (UE)</b>				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Economics: General	ECON2M	5		
Master [60] in Economics : General	ECON2M1	5		