

Advanced Topics in International Macroeconomics (F001004)

Course size *(nominal values; actual values may depend on programme)*

Credits 6.0

Study time 180 h

Course offerings in academic year 2024-2025

null

Lecturers in academic year 2024-2025

Önder, Yasin Kursat

EB21

lecturer-in-charge

Offered in the following programmes in 2024-2025

crdts

offering

null

Teaching languages

English

Keywords

International Macroeconomics, Workhorse Models, Financial Crises, Frictions and Macprudential Policy, Sovereign Debt and Default.

Position of the course

This is an elective course for students who would like to pursue a PhD in economics.

Contents

It begins with a review of canonical perfect-foresight and RBC work-horse models of a small open economy and then explores a number of topics that are relevant for the understanding of open economy models designed for the quantitative study of financial frictions, sovereign default and nominal frictions.

Initial competences

A good understanding of recursive formulation and getting acquainted with global solution methods for a class of macroeconomic models featuring nonlinear dynamics would be useful, but definitely not required. During the course, participants will learn how to write these models in recursive form. Knowledge of computational methods and software that is commonly used in macroeconomics (Fortran, Matlab) can be useful for students who would like to write a term paper.

Final competences

- 1 Be familiar with the state of the art techniques in international macroeconomics.
- 2 Be able to formulate an own research question in the domain of international macroeconomics.

Conditions for credit contract

Access to this course unit via a credit contract is determined after successful competences assessment

Conditions for exam contract

This course unit cannot be taken via an exam contract

Teaching methods

Group work, Lecture, Peer teaching

Extra information on the teaching methods

Adjusted teaching methods may be used if necessary.

Study material

None

References

This is a restricted list of various interesting articles and useful books that will be touched during the course. Papers are listed there for reference only, and the essential ones will be discussed in class.

Uribe, M. and Schmitt-Grohe, S. *Open Economy Macroeconomics*, Princeton Univ. Press, 2017

Mendoza, E. G., "The Terms of Trade, the Real Exchange Rate and Economic Fluctuations,"

International Economic Review, 1995. <http://www.sas.upenn.edu/egme/pp/IER95.pdf>

Aguiar Mark, and Gita Gopinath, "Emerging Market Business Cycles: The Cycle Is the Trend," *Journal of Political Economy*, 2007 115(1): 69-102.

Bianchi, Javier, "Overborrowing and Systemic Externalities in the Business Cycle," *American Economic Review* 101, December 2011, 3400-3426.

Aguiar, Mark, Manuel Amador, Emmanuel Farhi, and Gita Gopinath, "Coordination and Crisis in Monetary Unions," *Quarterly Journal of Economics*, 2015, 130 (4), 1727-1779.

Onder, Yasin Kursat and Enes Sunel, "Inflation-default trade-off without a nominal anchor: The case of Greece," *Review of Economic Dynamics*, 2021, 39, 55-78.

Course content-related study coaching

Office hours can be arranged through appointment.

Assessment moments

continuous assessment

Examination methods in case of periodic assessment during the first examination period

Examination methods in case of periodic assessment during the second examination period

Examination methods in case of permanent assessment

Oral assessment, Assignment

Possibilities of retake in case of permanent assessment

examination during the second examination period is possible in modified form

Calculation of the examination mark

The final grade will be based on three relatively short assignments (e.g. limited to 2-3 pages), on a presentation of the article related to the final project (this is either a term paper or a replication of a paper from the list below) due at the end of the course. In the final grade, each written assignment and the presentation will have a weight of 15 percent, and the term paper or replication of a paper from the list provided below a weight of 40 percent. The written assignments are encouraged to be done in groups of 2, but the final project must be written individually.

Participants can choose either to write a term paper or to replicate an already published paper. The subject of the term paper should be related to the course material as well as on other topics in macroeconomics and international finance that are not covered in the course. Papers that have been already initiated for other courses or for part of the participant's thesis can also be accepted. Term paper topics should be submitted in a maximum of two-page outline. Presentations of term papers will be determined during the course.