

Course title:	Macroeconomic Foundations of Economic Policy (Modern Challenges)
Institute/Division:	Institute of Economics, Sociology and Philosophy
Course code:	
Erasmus subject code:	
Number of contact hours:	30
Course duration:	1 semester
ECTS credits:	4
Course description:	<p>The purpose of the course is to study basic macroeconomic models in order to explain various economic policy issues. Students are expected to be able to: (i) understand of the supply and demand law on goods and asset markets, (ii) recognize short-run and long-run determinants of the (a) interest rate and (b) nominal and real exchange rates, (iii) interpret a few standard policy issues, as (a) budget multipliers, (b) changes in the money supply, (c) effects of devaluation, (d) labour market regulations etc., (iv) explain current events in the global economic environment. Content of the course is selected in such a way to cover the fundamentals of several major fields of economic policy. Main introductory topics are as follows: openness in goods and financial markets, saving and consumption in an open economy, and determinants of growth. Then various issues of contemporary fiscal and monetary policy debate are discussed within the province of IS-LM-BP and AD-AS models, with advantages and risks of capital flows and international debt problems being analyzed. Stabilization policies are considered in connection to business cycle theories and unemployment problems. Various aspects of international adjustment are explained in connection to exchange rate regimes and constraints. In the final part of the course a simplified view of trade policies and industrial policies will be given. Discussion of the role of government in a modern economy is supposed to help students to systematize their knowledge of the subject, with the lessons of the 2008 world economic crisis being expounded at length.</p>
Literature:	<p>Begg, D., Fischer, S., and Dornbusch, R., Economics, 8th edition, Mcgraw-Hill Publ. Comp., 2008.</p> <p>Handouts containing 60 to 70 slides are to be provided for every of 14 lectures. Selected articles from The Economist.</p>
Course type:	
Assessment method:	Three quizzes and multiple choice tests
Contact person:	prof. Viktor Shevchuk, e-mail: viktor.shevchuk@pk.edu.pl
Deadline for application:	15th of September