

Valid for 2022.HS

<b>Module Name: International Economics</b>	
Module Code	w.MA.XX.INE.19HS
Module Description	In "International Economics," students expand their existing foundation knowledge about the mechanisms and instruments of economic policy, as well as the macroeconomic significance of financial markets, and apply it to current economic policy issues and case studies. The focus lies on the economic analysis of the possibilities and challenges of economic policy in the context of open, globally interdependent markets and economies, as well as on the analysis of the relationships between the financial sector and the real economy, in particular the causes and effects of economic and financial crises.
Program and Specialization	Banking and Finance
Legal Framework	Academic Regulations MSc in Banking and Finance dated 29.09.2011, Appendix to the Academic Regulations for the degree program in Banking and Finance, first adopted on 28.08.2012
Module Category	<b>Module Type:</b> Compulsory
ECTS	3
Organizational Unit	W Institut für Wealth & Asset Management
Module Coordinator	Björn Plaschnick (plas)
Deputy Module Coordinator	Ruben Seiberlich (seib)
Prerequisite Knowledge	The module builds on the foundations acquired in a Bachelor's degree program in Business Administration with a specialization in Banking and Finance.
Contribution to Program Learning Goals (Affected by Module)	<ul style="list-style-type: none"> <li>§ Professional Competence</li> <li>§ Methodological Competence</li> <li>§ Social Competence</li> <li>§ Self-Competence</li> </ul>
Contribution to Program Learning Objectives	<ul style="list-style-type: none"> <li>Professional Competence <ul style="list-style-type: none"> <li>§ Knowing and Understanding Content of Theoretical and Practical Relevance</li> <li>§ Apply, Analyze, and Synthesize Content of Theoretical and Practical Relevance</li> <li>§ Evaluate Content of Theoretical and Practical Relevance</li> </ul> </li> <li>Methodological Competence <ul style="list-style-type: none"> <li>§ Problem-Solving &amp; Critical Thinking</li> <li>§ Scientific Methodology</li> <li>§ Work Methods, Techniques, and Procedures</li> <li>§ Information Literacy</li> <li>§ Creativity &amp; Innovation</li> </ul> </li> <li>Social Competence <ul style="list-style-type: none"> <li>§ Written Communication</li> <li>§ Oral Communication</li> <li>§ Teamwork &amp; Conflict Management</li> <li>§ Intercultural Insight &amp; Ability to Change Perspective</li> </ul> </li> <li>Self-Competence <ul style="list-style-type: none"> <li>§ Self-Management &amp; Self-Reflection</li> <li>§ Ethical &amp; Social Responsibility</li> <li>§ Learning &amp; Change</li> </ul> </li> </ul>
Module Learning Objectives	<p>Students...</p> <ul style="list-style-type: none"> <li>§ understand open commodity and financial markets operate and interact in the context of fixed and flexible exchange rate regimes.</li> <li>§ know the key economic policy mechanisms and instruments as well as the challenges of economic policy in the context of open economies.</li> <li>§ know the interrelationships between the financial system and the real economic sector of an economy and their analysis using macroeconomic models.</li> <li>§ know the causes, the course, and the economic effects of banking, financial, and currency crises as well as their theoretical model analysis.</li> <li>§ are able to analyze and evaluate changes in the environment of the financial system and the financial markets with the help of macroeconomic models and recognize the relevant consequences for the financial markets.</li> <li>§ are able to assess the current developments and future effects of the increasing international interaction and interdependence of the financial markets.</li> <li>§ can identify the causes and indicators of banking and financial crises and name appropriate economic policy measures.</li> <li>§ can explain the reasons for the regulation of financial markets and the importance of financial stability in the national and global context.</li> </ul>

	§ can argue in discussions on current topics of international and Swiss economic policy and explain interrelationships.		
Module Content	§ Open economies: Implications of open goods and financial markets, exchange rates, exchange rate regimes, purchasing power and interest parity § Economic development and economic policy in open economies: Short-term analysis using IS-LM and IS-TR models, effects of fiscal and monetary policy on fixed and flexible exchange rates, Taylor, rule, trilemma of monetary policy § Economic development and economic policy in open economies: Analysis of adjustment mechanisms in the medium and long term using the AS-AD model, effects of fiscal and monetary policy with fixed and flexible exchange rates, pros and cons of flexible vs. fixed exchange rates § Economic and financial crises: Definition and demarcation, causes and transmission mechanisms between the financial sector and the real sector, economic effects, modelling in IS-LM and AS-AD models § Global economic and financial crises: Infection mechanisms, international coordination of fiscal and monetary policies, the financial, economic, and debt crisis since 2008 § Selected case examples for economic and financial crises		
Links to other modules	The content of this module is linked to the following module: w.MA.XX.IRB.19HS		
Methods of Instruction	§ Lecture § Interactive Instruction § Case Studies § Problem-Oriented Teaching § Literature Review	<b>Social Settings Used:</b> -	
Digital Resources	§ Reader § Teaching Videos § Practice and Application Exercises (with Key)		
Type of Instruction	<b>Classroom Instruction</b>	<b>Guided Self-Study</b>	<b>Autonomous Self-Study</b>
Lecture	24 h	-	
Excercise	-	-	
Project Work	-	46 h	
Seminar	-	-	
<b>Total</b>	<b>24 h</b>	<b>46 h</b>	
Performance Assessment			
<b>End-of-module exam</b>	<b>Form</b>	<b>Length (min.)</b>	<b>Weighting</b>
Written exam	Closed book	60	100,00 %
<b>Permitted Resources</b>	No calculator		
<b>Others</b>	<b>Assessment</b>	<b>Length (min.)</b>	<b>Weighting</b>
-	-	-	-
Students are not allowed to revise and resubmit performance assessment tasks.			
Classroom Attendance Requirement	Mandatory Attendance: None		
Language of Instruction/Examination	German		
Compulsory Reading	§ Blanchard, O., Amighini, A. & Giavazzi, F. (2017). Macroeconomics: A European Perspective. 3rd edition. Harlow: Pearson. ISBN 978-1-292-08567-8. § Mishkin, F. (2016). The Economics of Money, Banking, and Financial Markets. 11th edition. Harlow: Pearson. ISBN 978-1-292-09418-2.		
Recommended Reading	§ Mankiw, N. & Taylor, M. (2020). Economics. 5th edition. London: Cengage Learning. ISBN 978-1-4737-6854-3.		
Comments	<ul style="list-style-type: none"> <li>For this module, students need a basic knowledge of macroeconomic theory and economic policy, especially the balance of payments, exchange rates, IS-LM, and AS-AD models. If necessary, students need to refresh their knowledge or acquire it through prior self-study of Mankiw &amp; Taylor (2020).</li> </ul>		