

(ECON-765) Open Economy Macroeconomics

Course Description

Basic concepts in international finance; income determination, relative prices and the trade balance; money, the foreign exchange market, and the balance of payments; purchasing power parity: theory and evidence; determination of exchange rates and balance of payments, monetary and fiscal policies in open economy; funding mechanism of international institutions, and institutions for financing.

Recommended Books

Rudiger Dornbusch (1980) *Open Economy Macroeconomics*. New York: Basic Books, INC.

Paul C. Hallwood and Ronald MacDonald (2000). *International Money and Finance*. Malden: Blackwell Publishing.

Paul Krugman, Maurice Obstfeld and Marc Meltiz (latest edition), *International Economics: Theory and Policy*. Boston: Addison-Wesely.

Robert Mundell (1968) *International Economics*. New York: Macmillan Company.