

**COURSE DATA****Data Subject**

<b>Code</b>	44955
<b>Name</b>	Monetary and Financial Integration
<b>Cycle</b>	Master's degree
<b>ECTS Credits</b>	5.0
<b>Academic year</b>	2023 - 2024

**Study (s)**

<b>Degree</b>	<b>Center</b>	<b>Acad. Period</b>
2242 - M.D. in Economics	Faculty of Economics	1 First term

**Subject-matter**

<b>Degree</b>	<b>Subject-matter</b>	<b>Character</b>
2242 - M.D. in Economics	11 - Materia analítico-conceptual	Optional

**Coordination**

<b>Name</b>	<b>Department</b>
TAMARIT ESCALONA, CECILIO RICARDO	132 - Economic Structure

**SUMMARY**

The aim of this course is to equip students with a critical understanding of the economic issues in the financial and monetary integration debate, with a special emphasis in the euro area. The course provides a blend of descriptive information, theory and empirical analysis. The emphasis is on economic issues but these issues are studied in their political and social context. Theoretical analysis forms an essential part of the course and requires knowledge of intermediate micro- and macroeconomics. Particular attention is devoted to policy areas in which EU co-ordination has progressed furthest: monetary and fiscal integration and the internal market. The aim of the course is to provide the theoretical underpinnings to analyze the economic effects of monetary integration processes, using as a case study the European experience. It is a 5 ECTS credit course comprising theory and practice.



## PREVIOUS KNOWLEDGE

### Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

### Other requirements

the course and requires knowledge of intermediate micro- and macroeconomics.

## OUTCOMES

### 2242 - M.D. in Economics

- Students should possess and understand foundational knowledge that enables original thinking and research in the field.
- Develop time management skills for learning: skills for organisation, planning and decision making in the process of learning advanced economics.
- Develop a critical capacity, show a research concern and interest in the field of economy, specialise in the use of bibliographical materials, in the use of economic databases and econometric, mathematical and statistical software. Also, learn to adequately disseminate research findings through scientific articles and presentations in congresses.
- Gain the capacities of abstraction and logical reasoning that are essential for the creation of economic models: ability to express oneself using formal, graphic and symbolic languages, to apply analytical and mathematical methods to economics, and to relate and manipulate concepts according to a purpose.
- Acquire linguistic and technological skills: ability to use English in the scientific field of economics and to use ICT in the field of economic study and research.
- Acquire social skills to work in a team: capacity to coordinate activities, ethical and responsible commitment, leadership and mobilisation capacity, all of which are important for economic and team management.
- Know the interrelations between the international economic situation, the macroeconomic imbalances of a country and the role of monetary and fiscal policies.
- Be able to technically analyse the contents of the official reports published by the most important international organisations (IMF, OECD, World Bank, WTO, etc.) and to produce professional reports for similar bodies.

## LEARNING OUTCOMES



At the end of the module, students should be able to:

1. Describe and discuss mainstream theories of exchange rate determination and, where appropriate, comment upon their relevance to actual exchange rate movements.
2. Demonstrate knowledge relevant to the theory of fixed exchange rates, target zones, currency/financial crises and speculative attacks and, where appropriate, use this knowledge to analyse real world events.
3. Demonstrate a good command of bibliographical and databases related to monetary and financial integration.
4. Show ability to draft a short paper on specific issues on financial and monetary integration.
5. Demonstrate a good understanding of reports issued by international monetary institutions like the ECB, IMF or the European Commission.
6. Demonstrate knowledge relevant to the European debt crisis and the Covid-19 crises.

## DESCRIPTION OF CONTENTS

### 1. 1

History of European Monetary Integration.

### 2. 2

Incomplete monetary unions: the OCA theory and the European Monetary System.

### 3. 3

Complete monetary unions: the European Monetary Union.

### 4. 4

The EMU crisis: fundamentals, expectations, contagion and resolution.

### 5. 5

The euro external dimensión and financial markets.

**WORKLOAD**

ACTIVITY	Hours	% To be attended
Theory classes	40,00	100
Classroom practices	10,00	100
Study and independent work	75,00	0
<b>TOTAL</b>	<b>125,00</b>	

**TEACHING METHODOLOGY**

The learning experience will consist of:

In-class:

- Lectures, where theory, models and techniques are presented and explained
- Discussion seminars, where students discuss theories, models and techniques
- Case seminars, where students apply models and techniques to solve case studies
- Problem solving seminars,

Self-managed learning:

- Provided learning material is studied individually and in groups
- Provided case studies are solved in groups
- Relevant learning material is researched and studied upon one-to-group tutorials

Research directions tutorials:

- Coursework directions are provided for presentations
- Case study reports are presented in class

**EVALUATION**

Students will be assessed through a 30%-coursework and a 70%-final exam.

The coursework is group-based in order to enhance students' interactive and social skills when analytical and presentation abilities are required. The coursework is also an opportunity for the students to self evaluate their learning achievements.

The exam consists of a set of questions. This method allows the students to show their ability to carry out articulated analysis based on in-depth reasoning and their ability to express numerical skills and personal judgment. The exam is also an opportunity for the students to improve their achievements, building upon their reflections on the coursework feedback and individually meeting the assessment criteria.

The coursework (30% of the final mark):

- assessment of all types of learning outcomes.
- individual or, alternatively, team grade (max 3 students per group)



- assessment on an optional up to a 5,000 word-report (around 15 pages). (up to 1 extra point over the final mark).

- assessment on compulsory reading (individual answers to questionnaire are uploaded + in-class presentations).

The final exam (70% of the final mark):

- assessed learning outcomes: (i), (ii) and (vi).

- closed-book - seen questions

- individual grade

- 2-hour exam

## REFERENCES

### Basic

- De Grauwe, P. (2022): Economics of Monetary Union, Oxford University Press, 14th edition)