

Macroeconomic stabilisation & structural adjustment: monetary & financial aspects

(EDEVM312)

Teacher: **Reding Paul** (paul.reding@unamur.be)

Credits: 5 ECTS

Learning outcomes

Understand the financial and monetary aspects of adjustment and stabilization in emerging and developing markets economies. Acquire a good command of the main concepts of financial and monetary economics, which are necessary to assess a country's internal and external equilibrium.

Content

The course has three distinct parts: I. *Basic concepts and mechanisms in financial and monetary economics: a refresher*: building blocks and characteristics of financial systems; assessing risk and return and valuing financial assets; determinants of interest rates. II. *Issues relating to the domestic financial system*: the role of banks in emerging market countries, their regulation and supervision; bank crises: their origins, their effects and how to prevent them; impact of the 2008 financial crisis on the domestic financial system; restructuring the financial system ; III. *Monetary policy issues*: monetary policy instruments and monetary policy institutions in mature and in emerging markets; the choice of monetary policy targets and the exchange rate regime ; inflation stabilization and policy credibility ; problems of "dollarized" economies ; monetary policy in crisis situations

Teaching methods

Two hours lectures. Lecture notes and selected readings will be distributed. The course includes group and individual home assignments.

Evaluations

Written exam, closed books; Home assignments account for 25% of grade.

Recommended readings

Reading list (especially case studies covering the material taught in class) will be recommended in class and be available on webcampus.