INTERNATIONAL MONETARY POLICY  
dr Ryszard Kokoszczyński

Lecture; 30 hours  
Fall semester

Course outline:  
The course objective is to present a comprehensive treatment of international dimension of monetary policy. Part one will review major issues of monetary policy in open economy from a single-country perspective (money in open economy, stabilization in open economy, monetary policy rules and optimal policy in open economy). Part two will cover basic models in international money (from Mundell-Fleming tradition to the New Open Economy Macroeconomics). Part three will be devoted to international policy cooperation and coordination.

Course outline:
2. Mundell-Fleming model and its extensions
3. New Open Economy Macroeconomics
4. Monetary policy – international coordination and cooperation.
5. OCA and monetary union.

Readings:
- Devereux, M.B., Ch. Engel, 2000: Monetary Policy in the Open Economy Revisited: Price Setting and Exchange Rate Flexibility, NBER WP 7665.
- Sarno, L., 2000: Towards a New Paradigm in Open Economy Modeling: Where Do We Stand?, University of Warwick.

Assessment:  
Written exam.