

Date last modified
31-Jan-17

Period
6, block 7.1 (14-18 August)

Code
MSS0010

ECTS credits
2.0

Organisational unit
MSS

Coordinator
Dr. Dirk Ehnts

Description
Modern Monetary Theory and European Macroeconomics

The course introduces students to modern monetary theory. The balance sheets and transactions that are relevant for understanding modern money are examined, with a focus on the Eurozone. Alternative explanations are brought forward that include the idea that banks can create money, that governments spend first and collect taxes later and that central banks use a set of interest rates as their main tool of policy instead of manipulating the money supply.

This is the 2nd edition of the class, with the first one scoring 8.83/10 in the evaluation of last year.

Goals

- Knowledge of central banks and monetary policy
- Understanding the operations of the Treasury and fiscal operations
- Grasp of the credit creation and clearing process in the banking system
- Ability to aggregate balance sheets in order to use sectoral balances as a tool for macroeconomics
- Insights on the economic history of the eurozone, its crisis and possible remedies

Instruction language
English

Prerequisites
none

Recommended literature
Ehnts, Dirk. 2017. Modern Monetary Theory and European Macroeconomics, Abingdon: Routledge (ISBN hardcover and ebook: 978-1-138-65477-8 and 978-1-315-62303-0)

Teaching methods
PBL

Assessment methods
Written Exam

Keywords
Euro, Eurozone, macroeconomics, fiscal policy, monetary policy, Modern Monetary Theory