

Instructors:

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Course title:

Fiscal and Monetary Policies in the Euro Area

3 ECTS SECS-P/02

Spring Term

Course description:

The course reviews the fiscal and monetary policies in the euro area.

Fiscal policies are conducted individually by each country, although within the many constraints imposed by the euro area institutional framework (including the Maastricht Treaty, the Stability and Growth Pact, the Fiscal Compact). The pros and cons of expansionary fiscal policies, especially in the context of the euro area crisis, will also be analyzed, in order to identify their effects on public debt, interest rates, GDP growth and so on.

Monetary policy is run by the European Central Bank by taking into account the needs of the whole euro area and by deciding, among other things, the reference interest rates. The ECB is also subject to the severe institutional constraints established in the Maastricht Treaty, that assign her the primary task of assuring monetary stability. During the crisis, however, the ECB has embarked in non-conventional monetary policies, aimed at overtaking the problem of the interest rates zero lower bound and to favor the economic recovery of euro area crisis countries.

Competences and abilities to be acquired:

At the end of the course the student will be able to analyze and discuss critically the conduct of fiscal and monetary policies in the euro area.

Textbooks:

To be announced.

Lecture notes and references to the ongoing literature on those subjects will be provided.

THE EXAM IS WRITTEN