

E588 International Macroeconomics

University of Mannheim

Spring Semester 2026

Course Information

Module Number:	E588
Instructor:	Jan Schymik
Email:	jan.schymik@uni-mannheim.de
Course Portal:	Portal2 Link
ECTS Credits:	9.5
Teaching Format:	Lecture (3 hours/week) + Exercise (1 hour/week)
Workload:	285 hours total (42 hours in class, 243 hours independent study)
Language:	English
Prerequisites:	E601–603
Assessment:	Final Exam (120 minutes)
Module Type:	Elective for M.Sc. Economics (Track 1: Economics; Track 2: Competition and Regulation Economics)

Course Description

The course offers an introduction to international macroeconomics at the graduate level, emphasizing theory and the use of formal dynamic macroeconomic models. Models are used to tackle concrete policy problems. Students are provided with a toolkit and are encouraged to think independently.

Topics covered include: current accounts and global imbalances, open-economy real business cycle models, nominal and real exchange rates, nominal rigidities and monetary policy in open economies, financial and exchange rate crises, and directed technological change.

Learning Outcomes

Upon successful completion of this module, students will be able to:

- Understand international macro models at an advanced level
- Analyze macroeconomic questions arising in the open economy using formal mathematical models
- Evaluate concrete macroeconomic policy questions
- Apply dynamic optimization techniques to open-economy settings

Required Textbooks

- **SG&U:** Schmitt-Grohé, Stephanie and Martín Uribe (2017): *Open-Economy Macroeconomics*, Princeton University Press.
- **O&R:** Obstfeld, Maurice and Kenneth Rogoff (1996): *Foundations of International Macroeconomics*, MIT Press.
- **Galí:** Galí, Jordi (2008): *Monetary Policy, Inflation, and the Business Cycle*, Princeton University Press.
- **F&T:** Feenstra, Robert C. and Alan M. Taylor (2021): *International Macroeconomics*, 5th Edition, Macmillan Learning.

Course Schedule

Lecture	Topic	Reading
1	Business Cycle Facts	SG&U, Chapter 1
2	The Balance of Payments	F&T, Chapter 16
3	The Intertemporal Approach to the Current Account	SG&U, Chapter 2
4	Adding Investment to the Intertemporal Approach	SG&U, Chapter 3
5	The Small-Open-Economy Real Business Cycle Model	SG&U, Chapter 4
6	Solving DSGE Models Using First-Order Approximations	SG&U, Chapter 4
7	The Terms of Trade	SG&U, Chapter 7
8	The Real Exchange Rate	SG&U, Chapter 8
9	Money and Exchange Rates with Flexible Prices	O&R, Chapter 8
10	Central Bank Credibility and Currency Crises	O&R, Chapter 9
11	Open Economies with Nominal Wage Rigidities	SG&U, Chapter 9
12	Sticky Prices – The New Keynesian Model	Galí, various chapters
13	Directed Technological Change and Critical Raw Materials	

Last updated: Spring 2026