

INTERNATIONAL UNIVERSITY OF JAPAN  
Graduate School of International Relations

Academic Year: 2016/2017

Term: Winter

Course	Course code ADC6627	Course title Macroeconomic Analysis and Policy Formulation II	
Name of Instructor	Shogo Ishii		Credit Number: 1
Instructor's contact Information	Office#	Office Hours TBD	E-mail: Shogo7231@gmail.com
Class Schedule	March 24-28, 2017 (no class on March 26)		
Day / Time	March 24-25 and 27: 8:50-10:20; 10:30-12:00; 13:00-14:30 March 28: 10:30-12:00; 13:00-15:00 (final exam)		

**Course Description:** This course will teach macroeconomic accounts interrelations and how to analyze macroeconomic developments and identify policy issues using actual country data and how to formulate macroeconomic policies to maintain or restore macroeconomic stability.

**Learning Objectives:** You will gain insights on operational aspects of macroeconomic work and develop skills needed to form your own, informed, and independent views on economic developments in an economy and policy adjustments if needed.

**Career Relevance:** This course will help strengthen career development prospects especially for a civil servant working on economic policy issues or a professional working with economic data through better understanding of economic developments and policy issues.

**Course Context or Rationalization:** This course will provide students with an opportunity to understand how economic theories taught in other courses can be applied to operational work in the area of macroeconomic management.

**Delivery Methods:** Lectures based on country data, daily homework, and group discussions.

**Assessment:** Daily homework and a final exam to be given during the last class.

**Prerequisite:** Successful completion of the course entitled "Macroeconomic Analysis and Policy Formulation I" offered in December 2016. Knowledge of the excel program to carry out homework and actively participate in group exercise. Some basic knowledge of economics will also be helpful but not prerequisite.

Reference papers:	<ol style="list-style-type: none"> <li>1. IMF, 2014, <i>Financial Programming and Policies, unpublished manual (PDF file will be made available)</i></li> <li>2. Fischer, Stanley, 1997, “Applied Economics in Action: IMF Programs,” <i>American Economic Review, Papers and Proceedings</i>, Vol. 87, No. 2, pp. 23–27.</li> <li>3. Ghosh, Atish, Charis Christofides, and others, 2005, <i>The Design of IMF-Supported Programs</i>, IMF Occasional Paper No. 241 (Washington: International Monetary Fund).</li> <li>4. IMF Research Department, 1987, <i>Theoretical Aspects of the Design of Fund-Supported Adjustment Programs: A Study by the Research Department of the International Monetary Fund</i>, IMF Occasional Paper No. 55 (Washington: International Monetary Fund).</li> </ol>
Class Outline	<ol style="list-style-type: none"> <li>1. Review of macroeconomic accounts</li> <li>2 - 3. Interrelationships among macroeconomic accounts <ul style="list-style-type: none"> <li>• Accounting links</li> <li>• Behavioral relationships</li> <li>• Flows of funds</li> </ul> </li> <li>4 - 6 Building a baseline scenario <ul style="list-style-type: none"> <li>• Steps for scenario building</li> <li>• Real sector forecasting</li> <li>• Balance of payments forecasting</li> <li>• Fiscal account forecasting</li> <li>• Monetary account forecasting</li> <li>• Macroeconomic assessment (group exercise)</li> </ul> </li> <li>7 - 9. Macroeconomic adjustment framework <ul style="list-style-type: none"> <li>• Overview of macroeconomic adjustment framework</li> <li>• Steps to formulate macroeconomic adjustment policies</li> <li>• Macroeconomic objectives</li> <li>• Choice of adjustment policy measures (group exercise)</li> </ul> </li> <li>10. A case study—1997 Thai crisis</li> <li>11. Final exam (13:00 – 15:00, March 29)</li> </ol>