



FACULTÉ DE SCIENCES
ÉCONOMIQUES ET DE GESTION

Département
d'économie



**Faculty of Economics
and Management**

2016-2017

**Master 1
International Economic Studies**

UNIVERSITY PARIS - EAST - CRETEIL

With 32 000 students and 12 faculties, the UPEC is the largest multidisciplinary and vocational university within Ile de France. 13% of our students come from over 118 foreign countries.



Founded in 1970, it quickly developed around its 12 UFRs (teaching and research units) and institutes, spread over five towns (mainly Créteil) of Ile-de-France region, in the counties of Val-de-Marne and Seine-et-Marne.

The university has successfully united a range of disciplines which offer an exceptional program of education (ranging from technology diplomas to doctorates) and houses 31 laboratories covering almost every available field.

Partnerships, networks, international programs, doctoral programs... UPEC's participation in such activities reflects its growing profile in Europe and beyond. The university hosts visiting faculty from abroad and enrolls a large number of international students, while also promoting the international mobility of its own students and faculty.

Master in International Economic Studies 2016-2017

■ Objectives

The Master is designed to provide a high-quality curriculum for students attracted to international economics. More specifically, it leads to potential target careers in developing or emerging countries. The programme has been devised to meet European and global standards encountered in the most recognized international economics curricula. The teaching staff comprises both high level academics and economic experts (OECD, ILO, World Bank) in the field of development, including people working in international organisations. The programme is organised with the cooperation of the World Bank. All the lectures in the master are taught in English.

After graduation, students master the knowledge needed in development and international economics. At the end of the first year, students will be able to use economic theory -and its numerous applications in concrete situations in developing and emerging countries. They will be trained to solve real policy issues at stake in most developing countries, at macro and micro levels. The master provides detailed microfoundations for macro-economic instabilities.

■ Requirements for entry and prerequisite

Students should be highly motivated by economic development and globalisation issues. A good level of English is requested. An oral test before the teaching staff will assess the candidates' ability. (in June)

A bachelor's degree (or its equivalent) is required. In principle, a degree in economics is preferable. However, degrees in management studies, in political science, in business administration or in engineering are also welcome.

■ Admission for 2016-2017 (35 students)

Fill in the application form on-line (before June 15th). Send the copies of diplomas and other requested documents by post office. References will be appreciated. A first selection on the basis of the application will be made during the second week of June.

The second, final, selection on the basis of an interview with the teaching team will take place at the end of June. Erasmus students and partners universities spending the whole year at UPEC will be given priority.



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Academic staff

University Paris Est staff

Philippe ADAIR, Associate Professor (Economics)
Thomas BARRE, Associate Professor (Economics)
Melika BENSALÉM, Professor (Economics)
Fabienne BOUDIER, Associate Professor (Economics)
Catherine BROS-BOBIN, Associate Professor (Economics)
Sylvain CHAREYRON, Phd Student (Economics)
Olivier FERRIER, Associate Professor (Economics)
Amélie GUILLIN, Associate Professor (Economics)
Eric HERTZLER, Associate Professor (Management)
Sandrine KABLAN, Associate Professor (Economics)
Julie LOCHARD, Associate Professor (Economics)
Béatrice MAJNONI, Professor (Economics)
Boris NAJMAN, Associate Professor (Economics)
Grégory PONTIERE, Professor (Economics)
Arnold VIALFONT, Associate Professor (Economics)

Other Universities staff (visiting)

Ronald DAVIES, Visiting Professor, University College Dublin

Experts & consultant teaching in the Master

Juliette DURAND DELGA, Independent consultant
Alexandre KOLEV, Associate Professor (Economics) and International Labour Organisation
Patrick LENAIN, Director of department at OECD, former IMF staff, Professor (Economics) at UPEC

Administrative staff

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Teaching organisation

2016-2017

First Semester

ETCS	SEM	UE 1 : Tools for IES	Hours	Teachers
3	S1	ECUE 1 : Economic Policy International Organisations Approach	24	P. Lenain
2	S1	ECUE 2 : Data analysis	18	T. Barré
3	S1	ECUE 3 : International Economics	24	A. Guillin
4	S1	ECUE 4 : Development Microeconomics	36	G. Ponthière C. Bros-Bobin
ETCS	SEM	UE 2 : Econometrics and Strategic Behavior	Hours	Teachers
3	S1	ECUE 5 : Game Theory and Negotiation	24	O. Ferrier
3	S1	ECUE 6 : Competition and Regulation Economics	24	A. Vialfont
4	S1	ECUE 7 : Econometrics & Applied Econometrics	18+18	C. Bros-Bobin S. Chareyron
ETCS	SEM	UE 3 : International Perspectives	Hours	Teachers
3	S1	ECUE 8 : Developpment Policies	36	B. Najman
2	S1	ECUE 9 : International Conference Series 1 (WB, OECD, AFD, ILO...)	12	B. Najman
3	S1	ECUE 10-11 : Elective Lectures*	20-24	I. Rambì J. Lochard
TOTAL SEMESTER 1 : 30 ECTS			256 hours	

*Elective Lectures (first semester):

3	S1	ECUE 10 : Language and Civilization (compulsory and only for non-French speakers)	20	I. Rambì
3	S1	ECUE 11 : Monnaie et finances internationales (in French)	24	J. Lochard

Second Semester

ETCS	SEM	UE 4 : Labor Economics and International Management	Hours	Teachers
4	S2	ECUE 12 : International Management : principles and Applications	24	E. Hertzler J. Durand Delga
4	S2	ECUE 13 : Labour Economics for Development	24	A. Kolev
ETCS	SEM	UE 5 : Development Analysis	Hours	Teachers
3	S2	ECUE 14 : Growth and Development	24	P. Adair
2	S2	ECUE 15-16 : Electives Lectures*	20 - 36	I. Rambli F. Boudier
1	S2	ECUE 17 : Research and Master thesis seminar	15	P. Lenain
ETCS	SEM	UE 6 : Internatinal Finance	Hours	Teachers
3	S2	ECUE 18 : Banking and International Finance	24	S. Kablan & B. Majnoni
2	S2	ECUE 19 : International Conference Series 2 (WB, OECD, AFD, ILO...)	12	B. Najman
3	S2	ECUE 20 : International Trade	24	R. Davies
ETCS	SEM	UE 7 : Internship or Thesis	Hours	Teachers
7	S2	ECUE 21-22 : Internship master thesis or re- search master thesis (Deadline End of August)		
TOTAL SEMESTER 2 : 30 ECTS			168 hours	

***Elective Lectures (Second semester):**

3	S2	ECUE 15 : Language and Civilization (compulsory and only for non-French speakers)	20	I. Rambli
3	S2	ECUE 16 : Stratégie d'internationalisation des entreprises (in French)	24	F. Boudier

ECUE 1: ECONOMIC POLICY, INTERNATIONAL ORGANIZATIONS APPROACH

■ Objectives

The aim of this course is to provide every student with the minimum basis of knowledge allowing them to understand current debates concerning economics policies led by members of international organizations in finance.

Given that the students come from different specializations, the aim is to give each and every one of them a minimum basis of knowledge in applied economics.

Each of the five lectures is split in two parts: the first, theoretical, raises numerous economic concepts as a basis for discussion. The second part is devoted to studying a concrete example based on an IMF or OECD publication.

By the end of the lectures, the students will be able to handle the main concepts used by international organizations in the framework of economic policies analysis.

It deals with concepts allowing students to describe an economic situation (potential production, production gap) or the evolution of economic policies (budget deficit adjusted for cyclical changes, neutral interest rates, real effective exchange rate)

In their future professional life, students will be able to use IMF documents (such as reports under article IV, world economic perspectives, and OECD (country economic outlooks) and other similar publications (Economist Intelligence Unit reports, publications from the World Bank, European Commission, ECB).

■ Teaching material

At each lecture the student will be given a document summing up the contents of the lecture and a text to study for the next lecture.

Moreover, all the documents provided by the teacher will be published on a specific website devoted to students.

They could also find there many links to the main websites of the international organizations and academic centers

■ Outline

1. Introduction to time-series analysis

- a. Cyclical fluctuations, trends, filtering
- b. Stationarity, co-integration, regressions
- c. Modeling, simulations, Eviews

2. Long-term growth

- a. Production function, growth accounting, productivity
- b. Labour supply, education, human capital
- c. Conditional convergence, structural reforms, spillovers
- d. Alternative methods for estimating potential output

MEMO

Pr: P. Lenain

Volume : 24 hours

Credits: 3 ECTS

Assessment scheme :

Oral + MCQ

3. Short-term growth
 - a. Business cycle, output gap, Okun's law
 - b. IS-MP model
 - c. NAIRU, inflation, Phillips curve
4. Monetary and macroprudential policy
 - a. Inflation, unemployment, Taylor rule
 - b. Exchange rate, real rates, financial conditions
 - c. Zero-bound, asset bubbles, bank lending, macroprudential tools
5. Fiscal policy
 - a. Multipliers, counter-cyclical policy, automatic stabilisers
 - b. Debt sustainability, public debt, sovereign spreads
6. External relations
 - a. Foreign trade, elasticities, specialisation
 - b. Capital flows, net international position,
 - c. Exchange rate policy, internal devaluation
7. Forecasting
 - a. Univariate regressions, AR, MA and ARIMA models
 - b. Multivariate regressions
 - c. Forecasting accuracy
8. Model simulations
 - a. Calibration and estimation of parameters
 - b. Use of Eviews for model simulations
 - c. Policy responses to standard shocks

■ Selected references

In English

OECD (2012), Medium and long-term scenarios for global growth and imbalances

Lenain, P, R. Hagemann and D. Carey (2010), Restoring Fiscal Sustainability In The United States, OECD.

En français

Duchêne G., P. Lenain et A. Steinherr (2012), Macroéconomie, Pearson.

Biacabe J.L., J.M. Daniel, G. Duchêne et P. Lenain (2011), Introduction à l'économie, Pearson.

■ Assessment scheme

Oral Presentation + MCQ

ECUE 2 : DATA ANALYSIS

■ Objectives

The course will provide first the ability to identify different types of data and distinguish between a population and a sample, a parameter and a statistic. Second, it will allow to summarize data by constructing a frequency distribution or relative frequency distribution, and to determine the difference between descriptive statistics and inferential statistics. Third it will list the basic definitions and notations of probability, with a focus to the normal probability distribution and its parameters, in order to estimate a population mean and a population proportion. Finally the course will state the procedure for performing a Hypothesis Test, either by the p-value method or the confidence interval method.

■ Outline

1. Properties of random samples.
 - (a) Theory of probability
 - (b) Random sample and sampling from a normal
2. Estimation
 - (a) Finite sample properties of estimators
 - (b) Large sample properties of estimators
3. Hypothesis testing
 - (a) Basic concepts
 - (b) Evaluating tests

■ Selected references

- Appendices B and C of : Introductory Econometrics : A Modern Approach (4th ed.), by Jeffrey M. Wooldridge, Cengage Learning, 2008, 888 p.
- Statistical Inference (2nd ed.), by George Casella and Roger L. Berger, Pacific Grove, CA : Duxbury, 2002, 660 pp.

■ Assessment scheme

There will be a single evaluation at the end of the course. It will be a written examination.

ECUE 3: INTERNATIONAL ECONOMICS

■ Objectives

Get the students familiar with the economist's vision of international relations, in the fields of trade in goods and services, migration and foreign investments. The students will have to acquire (or review, for the ones who have already graduated in economics), the basic concepts which lie behind the experts' treatment of international economic policy and globalization.

In all parts of the course, theories and empirics are addressed.

■ Outline

I will present an overview of the basic principles and concepts during the first part of the lesson, and we will devote the second part of the lesson to discuss practical questions, economic policy issues or new empirical findings with the class. The discussions will rely on some texts and on students' arguments.

Chapter 1: Globalization

Chapter 2: Traditional trade theories

Chapter 3: New trade theories

Chapter 4: Trade in services

Chapter 5: FMN's decisions

Chapter 6: Trade policies

Chapter 7: Trade agreements

Chapter 8: Trade controversies

■ Selected references

- Krugman P, Obstfeld M., Melitz, M. (2011). International Economics : Theory and Policy, 9th edition
Pearson

- Feenstra R. and M. Taylor, International Economics, Macmillan

Students are highly recommended to stay permanently in touch with issues and debates on international economic relations by reading the weekly "The Economist".

■ Assessment scheme

Final exam (short answer questions and essay-type questions).

MEMO

Pr: A. Guillin

Volume : 24 hours

Credits: 3 ECTS

Assessment scheme :

Final Exam

■ Course Description

This 36-hour course «Microeconomics for development studies» aims at providing to students an introduction to microeconomic analysis, with a special emphasis on its application to development issues. The course is divided in 6 parts.

The first three parts consist of an introduction to the fundamental concepts of microeconomic analysis (demand theory, theory of markets, game theory).

The other three parts consists of an introduction to applied development microeconomics, through the study of specific topics, such as agriculture and land, credit markets and risk sharing.

■ Outline

Part 1: Consumption theory (6h, Gregory Ponthiere)

Part 2: Theory of markets (6h, Gregory Ponthiere)

Part 3: Game theory (6h, Gregory Ponthiere)

Part 4: Agriculture, households and markets (6h, Catherine Bros-Bobin)

Part 5: Credit markets (6h, Catherine Bros-Bobin)

Part 6: Risk sharing and insurance (6h, Catherine Bros-Bobin)

■ Bibliography

- BARDHAN, P. & UDRY, C. «Development Microeconomics»
- CAMERER, C. Behavioral Game Theory: Experiments in Strategic Interactions, Princeton University Press, 2003.
- GABSZEWICZ, J. Strategic interactions and markets, Oxford University press, 2000, chapter 4.
- HARGREAVES HEAP, S., HOLLIS, M., LYONS, B., SUGDEN, R., WEALE, A. The Theory of Choice. A Critical Guide, Blackwell, Oxford, 1992.
- KAUSHIK BASU «Analytical Development Economics: The Less Developed Economy Revisited», MIT Press
- VARIAN, H. Intermediate Microeconomics, W. W. Norton & Company, 1993
- Research articles mentioned during the lectures

■ Assessments scheme

Final written exam

MEMO

Pr: G. Ponthière

C. Bros-Bobin

Volume : 36 hours

Credits: 4 ECTS

Assessment scheme :

Final Exam

ECUE 5: GAME THEORY AND NEGOTIATION

■ Objectives

This course is designed to give students the foundations for strategic thinking. This lecture is particularly useful for future personal/professional activities. To do so, we work from Game theory and Negotiation Theory.

N.B.: Negotiation is an art which requires to be experienced and theoretically well armed. We start from a simulation conducted with students and make a theoretical debriefing.

■ Outline

Session 1. Urn Game, rational pigs, location game

Introduction to Game theory, strategy, game, players, payoffs, matrix, cooperation, credible promises and threats, self enforcement (binding) contracts, trust and confidence, Pareto-optimality, Nash equilibrium, dominant, strategic rationality, common knowledge, pure and mixed strategies, Pareto-optimality, Heuristic values of models, experience and theoretical approaches

Session 2. Jaipur Gems Negotiations

Pareto-optimality, BATNA, reservation value, Ideal Value, objective value, individual surplus, collective surplus, efficiency, equity, ZOPA (Zone of POSSible Agreements), surplus expansion, surplus contraction, cognitive biases, Nash bargaining model

Session 3. Ultimatum Game, King Lear's Hats

Risk premium, altruism, attitude toward risk, common knowledge, empathy, anticipation, signaling, Boulwarism tactic, strategies, tactics and techniques of negotiation

Session 4. Strike Game

Threat, beauty contest, Power relationship, negotiation analysis, time pressure

Session 5. Centipede Game, Solomon Judgment, Olympic game

Backward induction, information revelation, game tree, signaling

Session 6. Pure coalition Games (Merger on the telephony market and ABC)

Core, coalition, stability, efficiency

Session 7. Pure coordination Games

Experimental Game Theory, mixed strategies, focal point,

Session 8. Negotiation for reducing poverty in a country with many stakeholders

Development processes, negotiation processes with many parties, application of concepts seen in that course, interactions between different members having different personal objectives but a common objective of reducing the poverty of a country, team negotiations

■ References

Textbooks and general references

- Aumann, R. J. (1987), Game theory,, The New Palgrave: A Dictionary of Economics, 2, pp. 460–82 .
- Camerer, C. (2003), Behavioral Game Theory: Experiments in Strategic Interaction, Russell Sage Foundation.
- Dutta, P. K. (1999), Strategies and games: theory and practice, MIT Press.
- Gibbons, R. D. (1992), Game theory for applied economists, Princeton University Press.
- Myerson, R. B. (1991), Game theory: analysis of conflict, Harvard University Press.
- Osborne, M. J. (2004), An introduction to game theory, Oxford University Press.

■ Websites

- Game Theory.net: <http://www.gametheory.net>
- Wikipedia : http://en.wikipedia.org/wiki/Game_theory
- The Library of Rhetoric: Rhetoric & Game Theory.
- Paul Walker: History of Game Theory Page.
- David Levine: Game Theory. Papers, Lecture Notes and much more stuff.
- Alvin Roth: Game Theory and Experimental Economics page - Comprehensive list of links to game theory information on the Web
- Adam Kalai: Game Theory and Computer Science - Lecture notes on Game Theory and Computer Science
- Mike Shor: Game Theory .net - Lecture notes, interactive illustrations and other information.
- Jim Ratliff's Graduate Course in Game Theory (lecture notes).
- Valentin Robu's software tool for simulation of bilateral negotiation (bargaining)
- Don Ross: Review Of Game Theory in the Stanford Encyclopedia of Philosophy.
- Bruno Verbeek and Christopher Morris: Game Theory and Ethics
- Chris Yiu's Game Theory Lounge
- Elmer G. Wiens: Game Theory - Introduction, worked examples, play online two-person zero-sum games.
- Marek M. Kaminski: Game Theory and Politics - syllabuses and lecture notes for game theory and political science.
- Web sites on game theory and social interactions
- Kesten Green's Conflict Forecasting - See Papers for evidence on the accuracy of forecasts from game theory and other methods.
- McKelvey, Richard D., McLennan, Andrew M., and Turocy, Theodore L. (2007) Gambit: Software Tools for Game Theory.
- Benjamin Polak: Open Course on Game Theory at Yale videos of the course
- Benjamin Moritz, Bernhard Könsgen, Danny Bures, Ronni Wiersch, (2007) Spieltheorie-Software.de: An application for Game Theory implemented in JAVA.

■ Assessment scheme

Short exercises during the semester (1/3) + Final exam (2/3)

ECUE 6: COMPETITION AND REGULATION ECONOMICS

■ Outline

Part I: European and US competition rules
Chapter 1: Principles of industrial organization
Section I – Monopoly
Section II – Oligopoly
Section III – Vertical restraints
Chapter 2: Competition policy in practice
Section I – EU and French competition laws
Section II – US competition policy
Part II: Sanctions and enforcement of competition law
Chapter 3: Sanction policy
Section I – Fine calculation
Section II – Detection
Section III – Exemption and de minimis rule
Chapter 4: Incentives for cooperation and negotiation
Section I – Leniency and settlements in collusion cases
Section II – Firms' commitments in unilateral practices
Part III: Applications
Chapter 5: Call for tenders
Section I – Principles and competition rules
Section II – Illustration with a negotiated procedure
Chapter 6: Auction theory and practice
Section I – Principles and competition rules
Section II – Illustration with a negotiated procedure

■ References

Klemperer P. (2004), Auctions: Theory and Practice, Princeton University Press <http://www.nuff.ox.ac.uk/users/klemperer/VirtualBook/VirtualBookCoverSheet.asp>
Tirole J. (1988), The Theory of Industrial Organization, MIT Press.
European Commission, Directorate General for Competition: http://ec.europa.eu/dgs/competition/index_en.htm.

US Department of Justice, Antitrust Division: <http://www.justice.gov/atr>
French competition Authority, negotiated procedures: <http://www.autoritedelaconurrence.fr/>

MEMO

Pr: A. Vialfont
Volume : 24 hours
Credits: 3 ECTS
Evaluation scheme :
Final Exam

ECONOMETRICS

The course in econometrics consists of both general lectures and applied analysis of various issues related to international and development economics. The aim is to prepare students for carrying out empirical works by acquainting them with the most widely used estimation techniques and to relate them to economic questions and policy evaluation.

■ Outline

Introduction	<ol style="list-style-type: none"> 1) Statistics and probability distribution 2) Confidence intervals and hypothesis testing 3) From correlation to linear regression
Linear regression and variance analysis	<ol style="list-style-type: none"> 1) Why multiple regression? 2) OLS technique et hypothesis 3) Variance analysis 4) Incorporating non-linearities in regression models
The causal effect of a variable	<ol style="list-style-type: none"> 1) What is an endogeneity bias 2) How to remedy to endogeneity bias 3) Endogeneity and overidentification tests
Panel data models	<ol style="list-style-type: none"> 1) Cross sections and panels 2) First differencing, within transformations and between estimators 3) Random and fixed effects

■ Selected references

Wooldridge, J. (2012) “Introductory Econometrics: A Modern Approach” Cengage Learning
 A. Colin Cameron and Pravin K. Trivedi (2005) “Microeconometrics: Methods and Applications” Cambridge University Press, New York
 Gujarati, D. (2003) “Basic Econometrics”, McGraw.

Assessment scheme: Final exam

APPLIED ECONOMETRICS

■ Objectives

This applied session is a complement to the lectures in econometrics. Students will be asked to review and comment research articles related to development issues and that use the techniques presented during the lectures. They will also be taught how to handle data and build an econometric analysis of a subject of their choice. At the end of the course, they will be asked to present their methods and results.

■ Outline

- 1) Articles review and practice of Stata on computers
- 2) Build an econometric analysis on a topic of their choice but related to international and development issues
- 3) Present their works

MEMO

Pr: C. Bros-Bobin / S. Chareyron
 Volume : 18 hours + 18h
 Credits: 4 ECTS
 Assessment scheme :
 Final Exam & Project
 Presentation

■ Selected references

- A. Colin Cameron and Pravin K. Trivedi (2005) “Microeconometrics Using Stata” Stata Press

■ Assessment scheme: Econometric Project Presentation

ECUE 8: DEVELOPMENT POLICIES

■ Pre-requisites

Undergraduate Development economics, institutional economics, public budget analysis

■ Objectives

Define institutional approaches for development policies and use experimental economics to assess the different policy options. We will play role games and experiments in order to mimic development actors' trade-offs and policy strategies. We will also underline the necessity to understand the informal sector as a response to state and institutional failures

■ Outline

Introduction: Why policies matter ?

1. What is a policy ?
2. Institutions, redistribution and growth
3. Institution reforms
4. Experimental economics applied to development policies
5. Labour market policies, Informal and formal sector relations
6. Poverty reduction
7. Migrations (international and internal)
8. Price volatility, trade, and FDI
9. Infrastructures

■ Selected References

Acemoglu D. (2011) Lecture's notes, <http://econ-www.mit.edu/files/5244>

Behrman J and T N Srinivasan (Eds) (1995) Handbook of Development Economics, Elsevier.

Deaton A (1997) The Analysis of Household Surveys: A Microeconometric Approach to Development Policy John Hopkins University Press.

Cardena J.C. et al. (2004) Experimental Development Economics: A review of the Literature and Ideas for Future Research.

Dani Rodrik's weblog

http://rodrik.typepad.com/dani_rodriks_weblog/2008/02/a-new-paradigm.html

Paul Krugman, Opinion Pages, NYT

<http://topics.nytimes.com/top/opinion/editorialsandoped/oped/columnists/paulkrugman/index.html>

Development: Experimental Economics, The Economist

<http://www.economist.com/blogs/freexchange/2010/05/development>

■ Assessment scheme: presentation and final exam

ECUE 9&19: INTERNATIONAL CONFERENCE SERIES (First & Second Semester)

■ Objectives

Conferences, visits and seminars are an important part of the training curriculum. They give students a concrete view on issues and debates over development. This lecture is organised in close cooperation with the World Bank.

- Conferences held at the World Bank (Paris office), the French Agency for Development (AFD), the OECD...

- Debates organised with economists from international organisations.

- Seminars conducted by well-known specialists on development issues (migrations, corruption etc)

Part of this lecture is in common with the master 2 « Development Economics and International Project Management »

■ Pre-requisite

- Good practice of policy discussions and debates in English

- An analysis of the World Bank, IMF, OECD, AFD, UNDP and European Commission websites

- A fair knowledge of the main development reports, for example the “world development report”

■ Syllabus: (list of conferences to prepare)

AFD conference on Development economics (usually in December)

“Doing Business” World Bank report

“Global Economic Perspectives” World Bank

“World Development Report” World Bank

OECD visit with Patrick Lenain

UE Parliament visit (october)

■ References

World Development report

Annual Global Employment Trends report

http://www.ilo.org/global/meetings-and-events/events/WCMS_150099/lang--en/index.htm

Global economic prospects-2011

<http://go.worldbank.org/JW2N41TE50>

Human Development Report, UNDP

<http://hdr.undp.org/en>

■ Web references

Use websites of World Bank, EU commission and Parliament, IMF, OECD, AFD, UNDP: www.afd.fr

DG Trade: <http://ec.europa.eu/trade/>

Europeaid: http://ec.europa.eu/europeaid/index_fr.htm

DG Enlargement: http://ec.europa.eu/enlargement/index_en.htm

MEMO

Pr: B. Najman

Volume : 2 x 12 hours

Credits: 2 ECTS x 2

Assessment scheme :

Memo + final exam

■ Assessment scheme

Synthetic and critical notes on the conferences (20%) + Final exam (80%)

ECUE 11: MONNAIE ET BANQUE CENTRALE (in French)

■ Objectifs

Comprendre les principaux thèmes de finance internationale en mettant l'accent sur les questions d'actualité. La finance internationale voit son périmètre s'étendre de par l'importance des flux financiers internationaux et son rôle croissant dans tous les secteurs de l'économie. Dans ce cours, nous traiterons un certain nombre de questions. L'intégration financière est-elle parfaite ? Le poids de la finance est-il démesuré ? Nous nous intéresserons plus particulièrement au marché des changes et aux régimes de change. Enfin, nous aborderons les crises récentes et les réformes mises en place ou possibles pour éviter ces crises.

■ Outline

Chapitre 1 : La globalisation financière

Chapitre 2 : Balance des paiements et déséquilibres internationaux

Chapitre 3 : Taux de change et marché des changes

Chapitre 4 : Régimes de change et crises de change

Chapitre 5 : Crises financières internationales et réformes

■ References

Bourguinat, H., Teiletche, J., Dupuy, M., 2010. Finance internationale, Hypercours Dalloz.

Krugman, P., Obstfeld, M., Melitz, M., 2012. Economie Internationale, 9e édition, Pearson.

Mishkin, F., Borders, C., Hautcoeur, P.C., Lacoue-Labarthe, D., Ragot, X., 2010, Monnaie, banque et marchés financiers, 9e édition, Pearson.

Bénassy Quéré, A. Farhi, E., Gourinchas, P-O., Mistral, J. Pisani-Ferry, J., Rey, H., 2011. Réformer le système monétaire international, Rapport pour le Conseil d'Analyse Economique, La Documentation française.

Lemoine, M., Madies, P., Madies, T., 2007. Les grandes questions d'économie et finance internationales, De Boeck.

MEMO

Pr: J. Lochard
Volume : 24 hours
Credits: 3 ECTS
Assessment scheme :
Final Exam

ECUE 12: INTERNATIONAL MANAGEMENT: PRINCIPLES AND APPLICATIONS

■ Objectives

The objectives aim at:

- Developing a knowledge of theories and practices about management and its international dimensions
- Enhancing the analysis of international and intercultural situations
- Producing projects and team work
- Preparing and conducting a field mission (from topic definition to final report)

■ Expected learning outcomes

At the end of the course, the students should be able to:

- Know, understand and use the different relevant theories answering the main issues of international management
- Analyse and implement international and intercultural projects

■ Syllabus

1. Internationalization : combined approaches in social and human sciences

- About comparisons, distances and interactions
- Cultures, Nations and the Economy

2. Management in the international economy : key concepts

- Going multinational : firm motives and characteristics
- Managing the multinational : strategies, structures, organization and networks
- Power and conflicts in an international environment

3. The manager in the international organizations and projects

- Profiles, skills and competences across borders
- Behaviors and team work in an international and intercultural environment
- Towards borderless approaches

4. Field mission :

- Choose a current and pertinent issue, and define the limits of the subject,
- Team work in practice and responsibilities division
- Carry out a project team, by selecting right tools (quantitative and qualitative interviews, statistics, economic, geographic and social datas...)

■ Pedagogical approach

- Lectures on the different key concepts and theories
- Discussions and debates around readings and movies
- Case studies
- Working groups implementing collective projects to be defined among a selection of subjects
- Field mission

■ Assessment scheme

International management (50%)

- Collective projects (60%)
- Individual works and exam (40%)

Field mission (50%)

- Preparation (40%)
- Final report (60%)

■ References

E.T.Hall, *Beyond culture*, Double day, new York, 1979

C. A Bartlett, S. Ghoshal, *Managing across borders, the transnational solution*, last edition, HBS Press

R. Vernon, L.T. Wells S. Rangan, *The manager in the international economy*, Prentice hall International editions, 2002

Ghuri, Pervez N and Usunier, J-C. *International business and negotiations*. 1st ed. Oxford, U.K, Tarrytown, New York: Pergamon; 1996

Edwards, V and Lawrence, Peter A. (2000) *Management in Eastern Europe*. Houndmills, Basingstoke, Hampshire, New York: Palgrave.

M. Tayeb, *Organizations and national culture, A comparative analysis*, Sage publications, 1988

ECUE 13: LABOUR ECONOMICS

■ Objectives

This lecture will provide an overview of studies and tools related with the design, analysis and evaluation of policies that place employment at the core of economic, social and development policy making. The lecture will combine rigorous training in analytical and quantitative economic methods with an emphasis on what constitutes an appropriate policy, legal and institutional framework for employment and decent work in different development contexts. The lecture will balance traditional classes on theory, concepts and methods by researchers and lecturers with concrete case studies and practical assignments to support policy applications over pure theory

■ Targeted competences

To support students' capacity to understand labour issues.

■ Prerequisites

Students are supposed to have basic knowledge in economics.

■ Syllabus

- 1 – Labour markets in developed and developing countries
- 2 – Labour migration
- 3 – Labour market information
- 4 – Labour force survey data analysis

■ Selected references

ILO (2013) : Perspective on Labour economics for Development.

■ Assessment scheme

Oral presentation

ECUE 14: GROWTH AND DEVELOPMENT

■ Objectives

This course provides an overview of modern growth theories and related development issues in order for the students to master the main concepts and stylized facts regarding the topics under review.

■ Pre-requisites

Undergraduate Growth Economics

■ Outline

This course presents the modern theories of growth and focuses on their empirical aspects from the supply side. It deals with three main issues: (i) exogenous vs. endogenous technical progress, (ii) the role of human capital and (iii) globalization and the convergence among nations.

1. Growth and development: different but related issues. Historical record, measurements and mechanisms
2. The wealth of nations: accounting for large income per capita discrepancies. Income distribution, inequality and poverty
3. The canonical neoclassical model: Solow and technical progress. Savings, the steady state and the elusive content of capital
4. Extending the Solow model: the role of human capital. Lucas' search for the micro foundations of aggregate supply
5. Challenging the Solow model: endogenous growth and technical progress. The AK model, product variety and Schumpeter's revival
6. Growth and globalization: Is convergence ahead? Absolute vs. conditional convergence

■ Selected references

Acemoglu, D. (2008) Introduction to Modern Economic Growth, Princeton University Press.

Aghion, P. and Howitt, P. (2009) The Economics of Growth, The MIT Press

Heston A., Summers R. and B. Aten (2011) Penn World Table Version 7.0, Center for International Comparisons of Production, Income and Prices at the University of Pennsylvania, May. <http://pwt.econ.upenn.edu/>

Lucas, R. (1988) "On the mechanics of economic development" Journal of Monetary Economics, 22, 3-42.

Solow, R. M. (1956) "A contribution to the theory of economic growth" Quarterly Journal of Economics, LXX, 65-94.

■ Assessment scheme

Mid term & Final Exam

ECUE 16: INTERNATIONAL STRATEGY FOR FIRMS AND BANKS (in French - For French Speakers)

■ Pré-requis

Niveau L3 en économie internationale. Bonne culture générale quant à l'environnement international

■ Objectifs du cours

Ce cours vise à permettre aux étudiants d'identifier les stratégies de présence à l'étranger des firmes compte tenu des caractéristiques des pays d'accueil et d'origine de la firme, des ressources et compétences de cette dernière et de l'environnement mondial.

En particulier, l'étudiant apprend à identifier les avantages et désavantages des différentes formes organisationnelles à la disposition des firmes pour aborder les marchés étrangers.

Chapitre 1 : Stratégie à l'international et mondialisation croissante

- 1- Un environnement de mondialisation croissante
- 2- Qu'est-ce qu'une stratégie à l'international ?
- 3- Globalisation, chaîne de valeurs et coordination

Chapitre 2 : Incertitude et recherche de la flexibilité : quelles formes de déploiement à l'international ?

- 1- De la notion de propriété à la notion de contrôle de l'unité à l'étranger
- 2- Les formes organisationnelles « traditionnelles »
- 3- Les formes organisationnelles innovantes

NB : les formes organisationnelles sont présentées en général puis illustrées par des cas concrets.

■ Bibliographie

Autissier D., Bensebaa F. et Boudier F. (2007, 2008 et 2009), Atlas du Management, Paris : Editions de l'Organisation.

UNCTAD, World Investment Report, New York et Genève : United Nations Publications. (téléchargeable sur le site de l'UNCTAD: www.unctad.org).

■ Objectives

The course aims at familiarizing students with the time-series and structural economic models routinely used by international organizations to evaluate the effects of economic policies. Through a series of seminars, students will learn how to build and use small models representative of the larger models used by these organisations.

■ Outline

The class will focus on the model building and simulation tools contained in Eviews, a popular statistical and econometric package available to staff in most international organisations and central banks. Students will be introduced to the main features of Eviews, notably database management, and will learn how to create a new model and create simulations under various random shocks and diverse endogeneity assumptions. In addition, students will learn techniques to take into account uncertainty, such as Monte-Carlo and bootstrapping.

■ Pre-requisite

The course is an applied-research extension of the IES first-semester course on «Economic Policies - The Approach of International Organisations». The models used in the seminar will be based on the approaches taught during the first semester, in particular the estimation of potential output, output gaps, fiscal multipliers, inflation, optimal monetary, risks premia and debt sustainability.

■ Selected References

Brillet, Jean-Louis (2014), Structural econometric modelling: Methodology and tools with applications under Eviews.

Gentzkow, Matthew and Jesse M. Shapiro (2014), Code and Data for the Social Sciences: A Practitioner's Guide, mimeo.

Nevo, Aviv, and Michael D. Whinston. 2010. «Taking the Dogma out of Econometrics: Structural Modeling and Credible Inference.» *Journal of Economic Perspectives*, 24(2): 69-82.

IMF (2011), Modernizing the Framework for Fiscal Policy and Public Debt Sustainability Analysis, August, mimeo.

■ Assessment scheme

Students will take a written exam at the end of the class (multiple-choice questionnaire). They will also form teams and build a small model using Eviews. The final score will be an average of the two grades.

ECUE 18: BANKING AND INTERNATIONAL FINANCE

■ Syllabus and program

20-01 SK Introduction: Why study Banking and international finance? Financial markets, banking and financial institutions, money and monetary policy. Information from IMF, OECD, ECB & BIS. Data banks. Chapter 1: The Banking industry: structure and competition, economic analysis of banking regulation. Basel III consequences.

27-01 SK Chapter 2: Financial markets and structures in developing countries: Financial markets in emerging countries: evolution and characteristics; Crises in emerging markets: contagion effects; The specific case of African stock markets; The banking system in developing countries: Structure and characteristics, About financial repression and liberalization: case study; Other types of financial institutions: Microfinance institutions: issue and recent evolution, Ethical and solidarity finance

03-02 BMI Chapter 3: Inflation, hyper-inflation, deflation... origins and consequences. Bubbles, booms and bursts. Lessons from the past to the future.

10-02 SK Chapter 4: capital inflows and outflows in developing countries : Capital flows to emerging countries in the 90s; Characteristics of capital inflows; Causes of capital inflows; Consequences of capital inflows; The specific case of foreign direct investment; FDI 's advantages; FDI's drawbacks; Reason for caution; Recent capital flows to emerging markets; Capital outflows from the BRICs; + Oral presentations.

17-02 BMI Chapter 5: Monetary policy Inflation targeting, interest rates policy, quantitative easing & non conventional policies. Financing the Budget deficit or not? The role of central banks & IMF.

24-02 BMI Chapter 6: Global imbalances: Double speed growth models in the world & euro-zone. Current account disequilibrium's. Foreign currency Reserves. Revenues & wealth. The € zone crisis and solutions.

03-03 BMI Oral presentations and Chapter 7: The foreign exchange market and the international financial system: FOREX rules & mechanisms. Exchange rates regimes. The € zone: past, problems & future. Bi or multi-polar IMS? The future of the \$ and the Yuan.

10-03 SK Oral presentation from 2 to 3 students 30 mn.

- 1- Financial developments in China
- 2- Financial sector and the real economy; is it too much?
- 3- The evolution & internationalization of the banking system in Emerging countries.
- 4- Financial system in Eastern countries.
- 5- Public debt financing in the European Union (see IMF WEO 10-2012 chap 3, 100 years of dealing with public debt).
- 6- Consequences of the contraction of bank's balance sheets due to Basel regulation.
- 7- FMI financing of emerging countries/rich countries (EU).
- 8- Tax on financial transactions.
- 9- Do the movies/films (below) reflect the economic aspects of the financial crisis?
- 10- Rating agencies and their role in the subprime and the sovereign debt crisis.

MEMO

Pr: Sandrine Kablan
Béatrice Majnoni
Volume : 24 hours
Credits: 3 ECTS
Evaluation scheme : Final
Exam 100%

■ References

- G. Akerlof (Berkeley) & R. Shiller (Yale), 2009, Animal spirits, How psychology drives the economy, and why it matters for global capitalism, Princeton University press. 2009
- Bodie Z., Kane A., Marcus A., Investments, Pearson, 2008.
- F. Mishkin , The economics of money, banking and financial markets, Pearson, 2010.
- Irving Fisher, Booms & depressions, 1922, The debt deflation, 1933
- P. Kindleberger, Manias, Panics and Crashes : A history of Financial Crisis, Basic books, 1978
- S. Johnson & J. Kwark, 13 bankers. The Wall Street take over and the next financial meltdown, New York, Pantheon Books, 2010
- R. Shiller, Irrational Exuberance, 2000 & 2009; Animal spirits, 2009, Internet
- P. Krugman, The return of depression economics and the crisis of 2008, 2008
- P. Krugman and M. Obstfeld, International Economics, theory and policy, Pearson Addison Wesley.
- C. Reinhart & K. Rogoff, This time is different : Eight centuries of financial folly, Princeton, 2009.
- Raghuran Rajan, Fault lines, 2010, Chicago
- B. Cohen, The future of reserve currencies, Finance and Development, September, 2009.

■ Sources of information and Data banks

- www.imf.org (World Economic outlook)
- www.ecb.int data basis
- www.federal-reserve.org
- www.bis.org
- www.oecd.org (World Economic outlook)
- <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>
- <http://data.worldbank.org/data-catalog/world-development-indicators>

■ Movies/Films

- Inside Job, Charles Ferguson, 2010
- Wall Street, Money never sleeps, Oliver Stone (Michael Douglas), 2010
- Margin call, J.C. Chandor, 2011
- The wolf of Wall Street, Martin Scorsese (Leonardo DiCaprio), 2012
- Capital, Costa-Gavras, (Gad Elmaleh), 2012

■ Assessment scheme

- Final evaluation: 1/3 for Sandrine Kablan Course
1/3 for Beatrice Majnoni course
1/3 for the presentation

Control 2012

- Question 1 : (short answers such as names, dates or numbers)
- 11: Give 3 important examples of deflation (UK 1923 ; industrial countries 1930's ; Japan 1990's)
- 12 : Give the name of the best analysts of bubbles (JM. Keynes; I. Fisher. R. Shiller).
- 13 : What is the best indicator of a bubble inflating? (Fast Credit increase).
- 14 : What are the inflation targets of FED, ECB and BoE? (2%).
- 15 : Amount of world and Chinese foreign reserves (10 000 & 3 200 bns \$).
- Question 2 : Quantitative easing policy.
- Question 3 : Consequences of a bubble burst?

■ Objectives

In this course, we will do three things. First, we will cover the seminal models of FDI which aim to describe why firms become multinationals. This will then move to a set of papers empirically testing these models and providing patterns in MNE investment.

Second, we will consider a set of papers that estimate the impact of FDI on both source and destination countries. Finally, we will consider policy competition for FDI, both theoretically and empirically.

Although not required, it will be helpful to have some basic knowledge of trade theory. If you have not had trade before, I suggest reading the trade portion of an undergraduate textbook (such as Feenstra and Taylor International Economics) and/or a graduate level textbook (such as Feenstra Advanced International Trade: Theory and Evidence). Also, if you are not familiar with basic econometrics, I suggest Greene's Econometric Analysis.

The course is not intended to be comprehensive. There are a lot of very interesting areas that we do not have time to explore. However, by the end, you will have a background and set of tools that will enable you to delve into those areas on your own. If you have a specific topic you're interested in, please ask and I can help you find a good place to start your own research.

■ Outline

1. A Crash Course in Heckscher-Ohlin
2. What is a Multinational?
3. Vertical Model.
4. Horizontal Model
5. Knowledge Capital Model
6. Testing the Theory
7. Expanding the Theory
8. Impacts of FDI
9. Competition for FDI

■ References

A. Helpman, Elhanan. "A Simple Theory of International Trade with Multinational Corporations." *Journal of Political Economy*, June 1984, 94(3), pp. 451-71.

A. Markusen, James R. "Multinationals, Multi-plant Economies, and the Gains from Trade." *Journal of International Economics*, May 1984, 16(3/4), pp. 205-26.

A. Markusen, James R. (2002) *Multinational Firms and the Theory of International Trade*.

Markusen, James R., Anthony J. Venables, Denise Eby-Konan, and Kevin Honglin Zhang, "A Unified Treatment of Horizontal Direct Investment, Vertical Direct Investment, and the Pattern of Trade in Goods and Services," NBER working paper 5696 (1996).

■ Assessment

There will be one mid-term and a final. The midterm will count for 50% of the grade, the final for 50%.

EVALUATION AND COMPENSATION SCHEME

■ Evaluation and Compensation scheme

Students must attend all lectures. More than two absences in one lecture results in a mark of 0/20 to the corresponding mid-term and final exam. Not attending a final exam invalidates the corresponding course block and semester.

Students must have an average mark of at least 10/20 to complete each year of the Master. All lectures in a given course block (U.E.) compensate each other, and all course blocks also compensate during a semester. The two semesters compensate before the retake session (June).

A specific rule applies to the U.E. 7 (Internship or Thesis): students must have more than 8/20 to validate the master. Besides, as the thesis defense takes place in September, an average mark lower than 10/20 to the course blocks (U.E.) 1 to 6 leads the students to the retake session.

Finally, the internship must last 2 to 4 months and must consist in a single contract.

