

## **Third and Fourth Year Course Descriptions for B. Sc. (Financial Mathematics and Economics) students**

*Students must consult the Commerce Faculty calendar, available online on the Commerce Faculty web site, for details of which courses they must and can take in any particular year.*

*This document only contains descriptions of the economics courses taught in this programme.*

### *EC349 Economic Theory*

The microeconomics part of this course will look at the diverse applications of rational choice theory in competitive market contexts, culminating with general equilibrium theory. Critiques of the neo-classical concept of rationality are then examined. The contrasting ethical and policy implications of treating rationality as a normative rather than positive concept are emphasized. Finally we examine the notion that markets are political and the role that power plays in determining economic outcomes and social values. Topics covered in the macroeconomics part of the course will include, inter alia, macroeconomic indicators in the European Union (EU); the interaction of goods, labour and money markets in an economically integrated area; the different theoretical paradigms on booms and recessions in open economies; macroeconomic policy implications of the business cycle in open economies; fiscal and monetary policy in the EU under a single currency regime and unemployment and growth in the EU. The objective of the course is to equip students with the analytical tools to analyse macroeconomic issues as they pertain to open, highly integrated economies, with specific reference to the prevailing economic climate in the EU.

### *EC362 Economics of Financial Markets*

This course introduces students to the key concepts and current issues in financial economics. To reflect the diversity of the financial services sector, this course covers all the important financial markets: stock; bond; foreign exchange; and derivatives. Particular emphasis is placed on linking the financial theory to the major global economic and business stories of recent years, for example, the rise and fall of world stock prices; the volatility of the euro-dollar exchange rate; and how billions of euro were lost in derivatives-related trading.

### *EC363 Econometrics*

The aim of this course is to give students a practical introduction to some of the main methods used by Economists to quantify relationships between economic variables. Using appropriate software and real data sets, theory learned in the classroom is quickly put into a practical context. Towards the end of the course students build their own Econometric model.

### *EC369 Money and Banking*

This course sets out to develop your understanding of international banking and monetary institutions and the world's financial architecture. Using the basic economics of banking, the course explores a variety of current issues, including: the role of the new Irish Financial Services Regulatory Authority (IFSRA); how banking and currency crises have occurred around the world since the 1990s; the role of the International Monetary Fund (IMF); and why the European Central Bank (ECB) is considering a change in its monetary policy.

### *EC385 Advanced Economic Theory*

This course treats topics in economic theory from a more advanced point of view. The focus of the microeconomic part of this course will be on a broader view of markets and human behaviour. More specifically, the implications for efficiency and welfare of market power, missing markets, imperfect information and bounded rationality will be addressed. Macroeconomic topics include advanced treatment of consumption and investment expenditure, monetary policy and economic growth.

### *EC410 & EC411 Seminars in the Economics of Financial Markets*

The aim of this course, over both Semesters, is to provide an opportunity for students to integrate the diverse material in other courses in the context of developments in financial markets and institutions and related policy debates. This may in particular involve further explorations in the literature of the economics of financial markets, and contributions from a number of sources, including financial market participants. These seminars may also provide a platform from which the project/minor theses which students undertake in this programme will be advanced.

### *EC420 International Monetary Economics*

Topics covered include the international monetary system; macroeconomic policy and globalisation; growth and trade; European Monetary Union; development economics; open economy macroeconomics; theories of exchange rate determination; fixed and flexible exchange rates