

**Syllabus "Macroeconomics I"**

**2013/2014**

Code: 102384

ECTS: 6

Degree	Year	Semester
947 Economics (EHEA Degree)	1	2

**Contact**

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**Language**

English

**Prerequisites**

Introduction to Economics.

Math I.

Math II.

Statistics I.

**Objetives**

This course introduces and discusses the main instrumental tools, both from the point of view of theoretical models and of empirical analysis, for the analysis of economic activity at the aggregate level. Thus, the course focuses on the study of production, distribution and allocation of national income and the interactions over time with the rest macroeconomic variables.

**Competence**

- Apply mathematical tools to synthesize complex business and economic situations.
- Ability to communicate orally and in writing in English in order to synthesize and present oral and written work.
- Ability to continue learning independently in the future, deepening knowledge acquired or initiating new areas of knowledge.
- Demonstrate initiative and work independently when the situation demands it.
- Prove that you understand the basics and intermediate macroeconomics.
- Demonstrate that you know the interrelationships between different economies, the role of institutions international economic developments and their consequences can be derived for a company.
- Demonstrate that you know the interrelationships between different economies, the role of institutions cheap domestic and international developments and their consequences that can arise from a company.
- Show a motivation for the quality of their work and their sensitivity to the consequences environment and society.
- Organizing work, in terms of good time management and the organization and planning.
- Select and generate the information needed for each problem, analyze it and make decisions based on this information.

**Learning outcome**

1. Calculate the steady state in the Solow model and determine the equilibrium in the IS-LM model and Mundell-Fleming.
2. Describe the determinants of economic growth and international differences in income per capita.
3. Identify the components of gross domestic product and national income.
4. Relate unemployment and inflation
5. To examine the effect of economic policies on macroeconomic variables and evaluate them by effects of countercyclical policies.
6. Ability to communicate orally and in writing in English in order to synthesize and present oral and written work.
7. Ability to continue learning independently in the future, deepening knowledge acquired or initiating new areas of knowledge.
8. Demonstrate initiative and work independently when the situation demands
9. Show a motivation for the quality of their work and their sensitivity to the consequences environment and society.
10. Organizing work, in terms of good time management and the organization and planning.
11. Select and generate the information needed for each problem, analyze it and make decisions based on this information.

## **Contents**

1. Introduction.
  - 1.1 Macroeconomic variables.
  - 1.2 Measuring the cost of living: GDP deflator and CPI.
  - 1.4 Production, allocation and functional distribution of income.
2. The long run: Economic Growth.
  - 2.1 Growth Accounting.
  - 2.2 Capital accumulation and technological progress: The Solow model.
  - 2.3 Empirical Evidence: absolute convergence, conditional convergence and differences in per capita income.
  - 2.4 Endogenous Growth.
3. Introduction to the Labor market.
  - 3.1 Frictions and unemployment.
4. Aggregate demand and supply.
  - 4.2 The slope of the aggregate demand function.
  - 4.3 Demand components and the Keynesian Cross.
  - 4.4 Aggregate supply in the short run and in the long run.
5. The short run: Economic Fluctuations.
  - 5.1 Measurement and empirical evidence.
  - 5.2 The Keynesian Model.
  - 5.3 Fiscal policy and Monetary policy.
6. The macroeconomics of an open economy.
  - 6.1 Exchange rates and exchange rate regimes.
  - 6.2 The Mundell-Fleming model.
  - 6.3 Fiscal and Monetary policy in a small open economy.

## **Teaching Methodology**

In this course we combine lectures with ICT support, along with applied sessions dedicated to solve problem sets and exercises.

## **Learning activities**

Title (type activity)	Hours	ECTS	Learning outcome
<b>Type: Directed</b>			
Lectures	30	1.2	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
Exercises and problema sets	15	0.6	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
<b>Type: Supervised</b>			
Tutorials	15	0.6	1, 3, 5, 6, 7, 8, 9, 11
<b>Type: Self learning</b>			
Problem sets and its discusión,	67,5	2,7	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
Readings	15	0,6	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

### Assessment criteria

The course evaluation will be continuously through midterms and a final exam. The weight of each of the above components in the calculation of the final grade is as follows: 60% for the final exam and 40% for midterm exams.

- Two partial tests: The purpose of these tests is to facilitate learning through the study of a relatively small amount of material (rather than having to devote a huge effort to a lot of material). In these tests the maximum resolution time is 50 minutes.
- Final exam, which includes all matters of the course. The test is designed so that the student is forced to make a last effort of learning that is necessary to consolidate the knowledge previously acquired. The maximum resolution time is 3 hours.

If using the weights mentioned above the qualification of the student is 5 or above, the course is considered passed and in this case it can not be the subject of a new assessment. In the case of a final grade below 4 the student must retake the course the following year. For those students with a grade equal to, or greater than, 4 and less than 5, there will be a re-assessment test. This re-evaluation will be scheduled in the exam's schedule of the Faculty. If the student is successful in the re-evaluation test, then the final grade will be 5. If the student is not successful then the final grade will be the grade before the re-evaluation and the student will need to re-take the course in the following year.

A student is considered "No Presentat" as long as she/he did not participate in any evaluation activity. Hence, a student who performs some evaluation activity does not qualify for a "No Presentat".

### Assesement activities

Títle	Weight	Hours	ECTS	Learning outcome
Mid-term exams and other exercises	40% of the final grade	4.5	0.18	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
Final examination	60% of the final grade	3	0.12	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

### Bibliography

Mankiw, N. G., Macroeconomía, 6ª edición, Antoni Bosch Editor, 2007.  
Blanchard, O., Macroeconomía, 4ª edición, Prentice Hall, 2006.