

**COURSE DATA****Data Subject**

Code	35927
Name	Principles of economics (macroeconomics)
Cycle	Grade
ECTS Credits	6.0
Academic year	2020 - 2021

Study (s)

Degree	Center	Acad. Period
1315 - Degree in Finance and Accounting	Faculty of Economics	1 Second term

Subject-matter

Degree	Subject-matter	Character
1315 - Degree in Finance and Accounting	1 - Economics	Basic Training

Coordination

Name	Department
GONZALO RUPEREZ, MARIA TERESA	10 - Economic Analysis

SUMMARY

Principles of Economics (Macroeconomics) falls into the subject of *Economics* and, as a foundation subject type, is lectured in the second term of the first year in the degree of Finances and Accounting. This subject encompasses *Principles of Economics (Microeconomics)*, lectured in the first term of the same year. Total ECTS credits of each of these parts are 6 credits.

The contents of both *Principles of Economics (Microeconomics)* and *Principles of Economics (Macroeconomics)* are related with *Econometrics* (compulsory, 4.5 ECTS), which is lectured in the first term of the second year since they give the basic knowledge the students need in order to understand the models they are going to work with in *Econometrics*.



Principles of Economics (Macroeconomics) provides an introduction to macroeconomic knowledge needed to analyse and interpret the national and international reality from an economic perspective. This subject will allow the student to understand the set of interactions that take place between the different agents of an economic system, to analyse current and relevant issues, and to understand the effects of public intervention on economic reality.

The basic contents of this subject are the following: basic macroeconomic concepts; aggregate supply: production and growth; aggregate demand: consumption, investment, public expenditure and net exports; the monetary system

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

The previous knowledge corresponding to the first and second year of secondary studies in the humanities and social sciences branch is assumed. In particular, to successfully face this subject, it is convenient that the student has a basic level of mathematics (solve equations with one / two unknowns and basic partial derivatives) as well as a minimum familiarisation with graphic analysis and with network information query

OUTCOMES

1315 - Degree in Finance and Accounting

- Comprender y aplicar el método científico, consistente en formular hipótesis, deducir resultados comprobables y contrastarlos con la evidencia empírica y experimental.
- Aplicar los principios del análisis económico al diagnóstico y resolución de problemas.
- Conocer y comprender los determinantes del consumo, el ahorro y la inversión agregados.
- Conocer y comprender los determinantes del consumo, el ahorro y la inversión agregados.
- Comprender las posibles causas de los ciclos económicos y los efectos de las políticas de estabilización.
- Conocer y comprender la naturaleza del comercio internacional y del marco financiero en que éste se desarrolla.



LEARNING OUTCOMES

The expected results of learning *Principles of Economics (Microeconomics)* are the following:

- To have enough microeconomic knowledge to analyse and interpret reality from an economic perspective.
- Ability and knowledge to raise and solve the problem of allocating optimally available resources to meet a specific financial, business or economic objective.
- To describe and analyse the behaviour of companies in a global environment.
- Ability to face the rest of subjects of this degree with guarantees.

DESCRIPTION OF CONTENTS

1. Macroeconomics. Measurement of the activity: income and expenditure

- 1.1. Introduction.
- 1.2. The Gross Domestic Product (GDP): definition and measurement.
- 1.3. GDP components: in a closed economy and in an open economy.
- 1.4. GDP deflator: real GDP versus nominal GDP.

Basic bibliography: Mankiw and Taylor, edit. Paraninfo, Chapter:20

2. Prices and their measurement

- 2.1 The measurement of price variations and their problems.
- 2.2 The Consumer Price Index (CPI) and its comparison with the deflator.
- 2.3 Inflation and its consequences: corrections of economic variables.

Basic bibliography: Mankiw and Taylor, Edit: Paraninfo. chapter: 21

3. Production, economic growth and productivity

- 3.1 The long term: what do we mean by economic growth?
- 3.2. Growth, productivity and its determinants.
- 3.3. The role of public policies in economic growth.

Basic bibliography: Mankiw y Taylor, Edit: Paraninfo. chapter: 22



4. Unemployment

- 4.1 Definition and measurement of unemployment.
- 4.2. Types of unemployment. Public policies against unemployment.
- 4.3. Labour market. Relevant issues: efficiency wages, minimum salary, etc.

Basic bibliography: Mankiw and Taylor. Edit: Paraninfo chapter: 23

5. The financial system: Savings and investment

- 4.1 The financial system: markets and financial intermediaries.
- 4.2. Savings and investment in national accounts.
- 4.3. The market for loanable funds: supply and demand.
- 4.4. Savings and public spending: deficit and surplus.

Basic bibliography: Mankiw and Taylor. Edi. Paraninfo chapter: 24

6. Money, monetary growth and inflation

- 6.1 The definition of money and its functions.
- 6.2. Money creation. Issuing bank and commercial banking: the supply of money and control mechanisms.
- 6.3. The growth of money and inflation: Classical theory.
- 6.4. The costs of inflation.

Basic bibliography: Mankiw and Taylor, Edit.: Paraninfo, caps.: 26 and 27

7. The macroeconomics of an open economy

- 7.1 The balance of international payments.
- 7.2. The determination of exchange rates. The purchasing power parity (PPC).
- 7.3. The currency market.
- 7.4. The equilibrium of an open economy: savings, investment and net exports.

Basic bibliography: Mankiw and Taylor. Edi. Paraninfo, chapters: 28 y 29

8. Aggregated supply and demand

- 8.1 Economic fluctuations.
- 8.2 Aggregated demand.
- 8.3 Aggregated supply.

Basic bibliography: Mankiw and Taylor. Edit.: Paraninfo. chapters: 30 and 32

**9. Monetary policy and fiscal policy: definition and effects**

9.1 Monetary policy and aggregate demand: measures and impact.

9.2 Fiscal policy and aggregate demand: measures and impact. The expulsion effect.

9.3. The stabilisation of the economy: the automatic stabilisers.

Basic bibliography: Mankiw and Taylor. Edit.: Paraninfo. Chapter: 31 (pp 794-797) i 33

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	30,00	100
Attendance at events and external activities	3,00	0
Development of group work	7,50	0
Development of individual work	15,00	0
Study and independent work	34,50	0
Preparing lectures	15,00	0
Preparation of practical classes and problem	15,00	0
TOTAL	150,00	

TEACHING METHODOLOGY

The methodology to teach *Principles of Economics (Macroeconomics)*, both in the theoretical and practical lessons, will be aimed at combining the ability of individual work with that of teamwork. More precisely, the methodology to be used can be described as follows:· For theoretical lessons students will prepare in advance the basic readings that serve as the basis for the theoretical explanation, as well as the main questions that arise in these readings. The teacher will combine his/her explanations with the active participation of students (questions raised by the professor and / or his / her classmates, resolution of brief questions raised by the professor, group discussion of the aspects that have aroused the greatest interest). It is intended that students develop both their ability to work independently (with work prior to class), as their ability to work as a team, argue and defend ideas (group discussions) and their oral and written communication skills (raising their doubts on the subject in public and / or resolving in writing the questions that have been raised).· For practical lessons students will prepare a set of exercises and case studies that will be worked in the classroom. On the one hand, each student must individually prepare these tasks and, on the other hand, students (individually or in groups) will be asked to solve and expose some of these tasks for the rest of their classmates. Part of the tasks to be performed will be based on the search for information on the websites of recognised institutions and in press. It is intended that students develop their ability to organise forms of group work, problem solving, oral and written communication, coordination of activities and search for information from reliable sources. The proposed tasks, both individual and in groups, may lead to “deliveries” that will be evaluated by the teacher.



EVALUATION

Principles of Economics (Macroeconomics) will be evaluated from the consideration of the following aspects:

- Written synthesis test that assesses the achievement of learning outcomes and, in particular, the specific competences of the subject with respect to the content and its application.
- The continuous evaluation of the student based on their participation and involvement in the teaching-learning process. This evaluation will include the attendance to class and the physical training activities, as well as the practical activities developed through the elaboration of individual or group papers / reports, submitted in written and oral form.
- The attendance and participation of the student in the planned activities will be a basic requirement to be evaluated.

In *Principles of Economics (Macroeconomics)* the total evaluation is broken down as follows: 30% of the overall mark corresponds to the evaluation of the different activities developed throughout the course and active participation of the student, and will be considered not recoverable in its entirety; and 70% of the global mark corresponds to the final synthesis test. The final synthesis test is mandatory and passing is an indispensable condition to pass the subject. The subject will be considered passed if the student obtains 5 points out of 10, for which he / she can combine continuous assessment and final synthesis test. In case of opting not to perform the tasks of continuous assessment, the student will only be able to obtain the points of the final test (7 maximum), and would need to obtain a 5 out of 7 in said exam in order to pass the subject. In case of not exceeding the synthesis note, the score in minutes will be obtained from the score obtained in continuous evaluation and final synthesis test, without exceeding 4.5.

REFERENCES

Basic

- Economía, N. Gregory Mankiw y Mark. P. Taylor, 2017, Ed. Paraninfo.

Additional



- Principios de Economía, Bernanke & Frank, 2007, 3ª edición. Ed. McGraw Hill.
- Introducción a la Economía: Macroeconomía, Krugman & Wells, 2006, Ed. Reverté.
- Economía, Paul A. Samuelson y William D. Nordhaus, 2010, 19ª edición. Ed. McGraw Hill.
- Introducción a la Economía: Teoría y Práctica, Blanco, J.M. y J. Aznar, 2001, 3ª edición. Ed. McGraw-Hill.

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

DESCRIP. CONTENTS

Without changes

WORKLOAD

The percentage of face-to-face hours in the classroom for classes, whether they be theory or practical, will be approximately 50% if it is the case of blended teaching; and 0% if it is the case of online teaching.

TEACHING METHODOLOGY

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- For theoretical lessons students will prepare in advance the basic material that serves as the basis for the theoretical explanation, as well as the main questions that arise in these readings. The teacher will combine his/her explanations with the active participation of students (questions raised by the professor and / or his / her classmates, resolution of brief questions raised by the professor, group discussion of the aspects that have aroused the greatest interest). It is intended that students develop both their ability to work independently (with work prior to class), as their ability to work as a team, argue and defend ideas (group discussions) and their oral and written communication skills (raising their doubts on the subject in public and / or resolving in writing the questions that have been raised).
- For practical lessons students will prepare a set of exercises and case studies that will be worked in the classroom. On the one hand, each student must individually prepare these tasks and, on the other hand, students (individually or in groups) will be asked to solve and expose some of these tasks for the rest of their classmates. Part of the tasks to be performed will be based on the search for information on the websites of recognised institutions and in press. It is intended that students develop their ability to organise forms of group work, problem solving, oral and written communication, coordination of activities and search for information from reliable sources. The proposed tasks, both individual and in groups, may lead to “deliveries” that will be evaluated by the teacher.



The modality of classes for students will depend on the social and health conditions and the restrictions established by the competent authorities.

- In the case of online teaching, classes will be given by videoconference, preferably synchronous, using Blackboard Collaborate, Teams, Skype or the tool that the lecturer considers appropriate to optimize the student's teaching-learning process during the scheduled program sessions, which remain the same days and times.

- In the case of blended teaching, the students will have to access the classroom in alternate weeks according to the initial of their last name (A-M or L-Z). The classes will be broadcast so that the students will have face-to-face teaching one week, and the next week they will follow the classes in streaming.

EVALUATION

Principles of Economics (Macroeconomics) will be evaluated from the consideration of the following aspects:-Written synthesis test that assesses the achievement of learning outcomes and, in particular, the specific competences of the subject with respect to the content and its application.-The continuous evaluation of the student based on their participation and involvement in the teaching-learning process. This evaluation will include the attendance to class and the physical training activities, as well as the practical activities developed through the elaboration of individual or group papers / reports, submitted in written and oral form.-The attendance and participation of the student in the planned activities will be a basic requirement to be evaluated. In *Principles of Economics (Macroeconomics)* the total evaluation is broken down as follows: 35% of the overall mark corresponds to the evaluation of the different activities developed throughout the course and active participation of the student, and will be considered not recoverable in its entirety; and 65% of the global mark corresponds to the final synthesis test. The final synthesis test is mandatory and passing is an indispensable condition to pass the subject. The subject will be considered passed if the student obtains 5 points out of 10, for which he / she can combine continuous assessment and final synthesis test. In case of opting not to perform the tasks of continuous assessment, the student will only be able to obtain the points of the final test (6'5 maximum), and would need to obtain a 5 out of 6'5 in said exam in order to pass the subject. In case of not exceeding the synthesis note, the score in minutes will be obtained from the score obtained in continuous evaluation and final synthesis test, without exceeding 4.5.

REFERENCES

Without changes