COURSE DATA

Data Subject	
Code	44944
Name	Macroeconomics
Cycle	Master's degree
ECTS Credits	5.0
Academic year	2022 - 2023

Study (s)

Degree	Center	Acad. year	Period
2242 - M.D. in Economics	Faculty of Economics	1	First term

Subject-matter

Degree	Subject-matter	Character
2242 - M.D. in Economics	2 - Analytic matter-Conceptual	Obligatory

Coordination

Name	Department
ANDRES DOMINGO, JAVIER ANGEL	10 - Economic Analysis
BOSCA MARES, JOSE EMILIO	10 - Economic Analysis

SUMMARY

This course introduces to the key building blocks of modern macroeconomic theory. The emphasis is on understanding different theoretical approaches and their relevance to macroeconomic policy by looking at both real and monetary aspects of economies. At the end of the course student should be familiar with the following topics:

-Economic Growth

-Unemployment

-Business Cycle and Monetary Policy

-Consumption and Investment Theory

Tutorial classes will be used to solve problem sets and to introduce to the use of Matlab and Dynare to build, solve and simulate simple dynamic stochastic general equilibrium models.

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

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

Other requirements

Students are expected to hold some knowledge on basic macroeconomics. Therefore, it would be wise to go over any of the intermediate macroeconomics reference books previous to the starting of the course.

OUTCOMES

2242 - M.D. in Economics

- Students should apply acquired knowledge to solve problems in unfamiliar contexts within their field of study, including multidisciplinary scenarios.
- Students should be able to integrate knowledge and address the complexity of making informed judgments based on incomplete or limited information, including reflections on the social and ethical responsibilities associated with the application of their knowledge and judgments.
- Students should communicate conclusions and underlying knowledge clearly and unambiguously to both specialized and non-specialized audiences.
- Students should demonstrate self-directed learning skills for continued academic growth.
- Students should possess and understand foundational knowledge that enables original thinking and research in the field.

LEARNING OUTCOMES

On successful completion of the course the students should be able to appraise modern theoretical models of determination of the main macroeconomic variables and to understand how they help to explain the empirical evidence. In particular, at the end of the course the students should be able to understand the following issues:

- The main determinants of income in the long run.

- The causes of cyclical and structural unemployment.

- Intertemporal optimization problems and general equilibrium.

- The basic principles of monetary econonomics.

- The importance of financial constraints.

- The policy solution to macroeconomic problems.

The students eventually should also be able to build and program a simple DSGE to simulate the outcomes of different economic policies.

DESCRIPTION OF CONTENTS

1. Optimal growth models: Exogenous growth

2. Endogenous growth: Human capital accumulation and R&D models

3. Growth and income distribution. Technology and employment

4. Search and matching: Vacancies and unemployment

5. Business cycle models: Consumption and investment

6. The canonical New Keynesian model

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	40,00	100
Classroom practices	10,00	100
Study and independent work	75,00	0
TOTAL	**125,00**	

TEACHING METHODOLOGY

The course combines lectures and tutorial classes. During lectures the core concepts are introduced. Tutorial classes expand these concepts by solving problem sets and introducing computing. All relevant material will be provided in advance.

EVALUATION

The final mark will be an average of continual assessment (30%) and a final written exam (70%) at the end of Term 1. Continual assessment will be made on the basis of problem set solutions, class involvement and work presentation after tutorial classes. Continual assessment will be non recuperable.

REFERENCES

Basic

- Barro, R.J and X. Sala i Martín (2004): Economic Growth. MIT Press.

- Galí, J. (2011): Unemployment Fluctuations and Stabilization Policies: A New Keynesian Perspective. MIT Press.

- Galí, J. (2009): Monetary Policy, Inflation and the Business Cycle: An Introduction to the New Keynesian Framework.Princeton University Press.

- Pissarides, C. (2000): Equilibrium Unemployment Theory. MIT Press.

- Romer D. (2012), Advanced Macroeconomics, 4th edition, Mc Graw Hill.

- Walsh, C.(2010): Monetary Theory and Policy. MIT Press.