

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

Code	44944
Name	Macroeconomics
Cycle	Master's degree
ECTS Credits	5.0
Academic year	2023 - 2024

Study (s)

Degree	Center	Acad. 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
GRANERO PEÑARRUBIA, LUIS MIGUEL	10 - Economic Analysis

SUMMARY

This course introduces students to the fundamental building blocks of modern macroeconomics. The focus is on comprehending various theoretical approaches and their significance in macroeconomic policy, encompassing both real and monetary aspects of economies. By the end of the course, students should be familiar with the following topics:

- Economic Growth
- Unemployment
- Business Cycle and Monetary Policy
- Consumption and Investment Theory

Tutorials will be used to solve problem sets and introduce the use of simple DSGE models to simulate policy outcomes.



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, students should be able to evaluate modern theoretical models that determine the main macroeconomic variables and comprehend how these models aid in explaining empirical evidence. Specifically, by the end of the course, students should have a solid understanding of 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 importance of financial constraints.
- The policy solution to macroeconomic problems.



The students eventually should be able to use simple DSGE models to simulate the outcomes of different economic policies.

DESCRIPTION OF CONTENTS

1. Exogenous growth theories

2. Endogenous growth

3. Unemployment

4. Stochastic models of the business cycle

5. Consumption and investment

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. The core concepts are introduced during the lectures, providing a foundational understanding. In tutorial classes, these concepts are further expanded upon, and their practical application is explored using various tools, including exercise solving. All relevant materials will be provided in advance.

EVALUATION



The final mark will be an average of continuous assessment (30%) and a final written exam (70%) at the end of Term 1. Continuous assessment will be made on the basis of problem set solutions, class involvement and completion of additional projects. Continuous assessment will not be recoverable.

REFERENCES

Basic

- Romer D. (2018), Advanced Macroeconomics, 5th edition, Mc Graw Hill.

Additional

- Barro, R.J and X. Sala i Martín (2004), Economic Growth, MIT Press.
- Campante F., F. Sturzenegger and A. Velasco (2021), Advanced Macroeconomics - An Easy Guide, LSE Press (available at <https://press.lse.ac.uk/site/books/m/10.31389/lsepress.ame/>).
- Galí, J. (2009), Monetary Policy, Inflation and the Business Cycle: An Introduction to the New Keynesian Framework, Princeton University Press.
- Sørensen, P.B. and H.J. Whitta-Jacobsen (2022), Introducing Advanced Macroeconomics: Growth and Business Cycles, 3rd edition, Oxford University Press.
- Walsh, C. (2017), Monetary Theory and Policy, 4th edition, MIT Press.