

Spanish Economy

Code: 102320
ECTS Credits: 6

| Degree | Type | Year | Semester |
|--|------|------|----------|
| 2501572 Business Administration and Management | OB | 2 | 1 |
| 2501573 Economics | OB | 2 | 1 |

Contact

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Use of languages

Principal working language: catalan (cat)
Some groups entirely in English: Yes
Some groups entirely in Catalan: Yes
Some groups entirely in Spanish: Yes

Teachers

Joan Cals Güell
Josep Oliver Alonso
Joan Trullén Thomas
Javier Asensio Ruiz de Alda
Maria Carmen Poveda Martinez
Héctor Sala Lorda
Miguel Àngel García López
Gemma Francés Tudel

Prerequisites

Students are required to have acquired basic knowledge from the subjects "Introduction to economics" (in particular, macroeconomics) and "International economics" (in particular, the part covering Instruments in Applied Economics).

Objectives and Contextualisation

This is a compulsory course, taught during the first semester of year two.

The main goal of the course is to gain knowledge on the Spanish economy mainly from a macroeconomic point of view. The recent evolution and the current situation of the Spanish economy is explained in an international economic context. Attention is devoted to the trajectories of key macroeconomic variables and the accompanying economic policy measures. Students are introduced to the main economic features of the Spanish economy and the interpretation of its developments through the lens of basic theoretical concepts and analytical tools. The analysis from a gender perspective will be included in the relevant topics of the programme.

The objectives of the course are the following:

1. Increase the students' interest for the study of the economy.
2. Increase the students' knowledge of the general functioning of the economy, its different markets, and its economic institutions.
3. Application of the economic analysis to specific realities.
4. Achievement of a better empirical comprehension of economic dilemmas.
5. Uncover the social dimension of the economy and its relationship with welfare.
6. Stimulate students express their progress in written work, oral communication, and the identification and processing of the relevant information related to the course.

Skills

Business Administration and Management

- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Capacity for oral and written communication in Catalan, Spanish and English, which enables synthesis and oral and written presentation of the work carried out.
- Demonstrate initiative and work individually when the situation requires it.
- Demonstrate knowledge of the structure of institutions and the state, their evolution and the consequences of possible changes, to be able to make a positive contribution to the debate about the role they play in current society.
- Identify the economic agents that make up an economy, understanding how they have been interrelated to date, how they are currently interrelated and forecast futures according to new circumstances and their influence on a specific company.
- Know how to handle the analytical framework and empirical knowledge that is offered by the economy on international relations and the most important economic areas.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.
- Value ethical commitment in professional practice.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

Economics

- Capacity for adapting to changing environments.
- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Demonstrate initiative and work individually when the situation requires it.
- Demonstrate knowledge of the structure of institutions and the state, their evolution and the consequences of possible changes, to be able to make a positive contribution to the debate about the role they play in current society.
- Know how to handle the analytical framework and empirical knowledge that is offered by the economy on international relations and the most important economic areas.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.
- Value ethical commitment in professional practice.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

Learning outcomes

1. A capacity of oral and written communication in Catalan, Spanish and English, which allows them to summarise and present the work conducted both orally and in writing.
2. Analyse the role of international institutions in the economy.
3. Assess ethical commitment in professional activity.
4. Assess the functioning and current situation of the Spanish economy.
5. Capacity to adapt to changing environments.
6. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
7. Demonstrate initiative and work independently when required.
8. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
9. Describe the main economic agents making up the Spanish and Catalan economy.
10. Examine the influence and the role of Spanish public institutions in the economy.
11. Identify the role of the public sector in the Spanish economy.
12. Interpret the economic globalisation process and its consequences for the Spanish economy.
13. List the main characteristics of the labour market in Spain.
14. Organise work, in terms of good time management and organisation and planning.
15. Perform an economic analysis of integration processes, in general, and of the European integration process, in particular.
16. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
17. Work as part of a team and be able to argue own proposals and validate or refuse the arguments of others in a reasonable manner.

Content

Topic 1. The early 1990s: Recession in a new European scenario. The Spanish economy in the early 1990s. Challenges from the new European Union Treaty.

Topic 2. The mid 1990s: New growth patterns and economic convergence. The new growth pattern of the Spanish economy since 1995. The Maastricht Treaty and the convergence criteria.

Topic3. The early 2000s: The "wild ride" and the real state bubble. New sources of growth and macroeconomic imbalances. The ECB monetary policy. The real estate bubble.

Topic 4. The growing external imbalance. Structural weaknesses of the Spanish economy. The current account balance. The growth of private debt.

Topic 5. The "great recession": 2008-2010. The US financial crisis and its worldwide contagion. The burst of the Spanish housing bubble. The crisis and the policy response until 2010.

Topic 6. The European sovereign-debt crisis. Stability problems in the Eurozone. Institutional and policy responses. Towards a European banking union.

Topic 7. Adjustment, structural reform and banking bailout. The economic adjustment and the process of structural reform. The bailing out of the banking system.

Topic 8. Economic recovery since 2014: growth and external balance. Current state of the Spanish economy and economic forecasts

Topic 9. Public Sector. Overview of the Spanish public sector. Main sources of public revenue. Public Expenditures. Public deficit and debt. Mechanisms of debt financing.

Topic 10. The pension system. The financing of the public pensions system. Structural reforms.

Topic 11. The funding system of the Autonomous Communities. The regional decentralization process. The Autonomous Communities financing system.

Topic 12. Labour market I: Demographic trends, geographical dynamics and migration flows. Active population: evolution, age and gender differences.

Topic 13. Labour market II: Occupied and unemployed population characteristics (age, gender, studies). Occupation determinants. Unemployment causes. Wage setting mechanisms and wage gaps. Labour market reforms.

Methodology

The teaching methodology consist on:

Lectures. Standard lectures in class. Class attendance is essential, but needs to be complemented with personal work at home.

Essays on current events and case studies. Students may be asked to work in small groups for some of these, which may include discussions, presentations and specific analyses on key issues, as well as the treatment of statistical information sources. Some tutorials may take place at the computer room.

Self-learning activities. Complementary to the course. The student is supposed to dedicate enough time and effort to understand and assimilate the contents of the course through reading and studying the notes, texts and other materials suggested by the lecturer, and through the completion of the exercises or essays indicated during the course.

Activities

| Title | Hours | ECTS | Learning outcomes |
|----------------------------------|-------|------|--|
| Type: Directed | | | |
| Case studies and exercises | 17 | 0.68 | 2, 15, 4, 1, 6, 9, 13, 10, 11, 12, 8, 14, 16, 17 |
| Lectures | 33 | 1.32 | 2, 15, 4, 5, 1, 9, 13, 10, 11, 12, 8, 3 |
| Type: Supervised | | | |
| Essay on current economic events | 5 | 0.2 | 2, 15, 4, 5, 6, 7, 9, 13, 10, 11, 12, 8, 14, 16, 17, 3 |
| Office hours | 2 | 0.08 | 2, 15, 4, 9, 13, 10, 11, 12, 8, 3 |
| Type: Autonomous | | | |
| Study and recommended activities | 87 | 3.48 | 2, 15, 4, 1, 6, 9, 13, 10, 11, 12, 8, 14, 3 |

Evaluation

Assessment will be carried out **continuously throughout the course**, in accordance with the following criteria:

1. Two written tests: 75%.
2. Practice and exercises about current economic events: 15%.
3. Recommended activities, class attendance and participation: 10%.

The evaluation of the theoretical content of the subject will be carried out through two written tests. The first one will take place in the middle of the term and the second in the date set by the Faculty for the final exam. Each of the tests has the same weight in the final assessment (37.5%).

Therefore, **the average grade of the subject** is obtained as: 37.5% (grade of the first test) + 37.5% (grade of the second test) + 15% (grade of practice and exercises about current economic events) + 10% (grade of recommended activities, attendance and participation).

In order to pass the subject, any student should meet the following two:

1. the average grade of the subject is equal to or greater than 5 and,
2. The average grade obtained at the two partial exams is equal to or greater than 4.

Therefore:

- If a student meets the first requirement but not the second, he/she will have an average grade of the subject of 4.5 and will be attend the retake test, as explained below in the section "Retake process".
- If a student meets the second requirement but not the first, or doesn't meet any of them, he/she will obtain an average grade of the subject that arises from the direct application of the previous weightings, and will be able to attend the retake test (see "Retake process" below).

Any student who has not attended any of the two written tests will be considered as **'non-assessable'**

Calendar of evaluation activities

The dates of the evaluation activities (midterm exams, exercises in the classroom, assignments, ...) will be announced well in advance during the semester.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity." **Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB)**. Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an **Application for exams' reschedule**

https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule

Grade revision process

After all grading activities have ended, students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

Retake Process

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." **Section 3 of Article 112 ter. The recovery (UAB Academic Regulations)**. Additionally, it is required that the student to have achieved an **average grade of the subject between 3.5 and 4.9**.

The date of the retake exam will be posted in the calendar of evaluation activities of the Faculty. Students who take this exam and pass, will get a grade of 5 for the subject. If the student does not pass the retake, the grade will remain unchanged, and hence, student will fail the course.

Irregularities in evaluation activities

In spite of other disciplinary measures deemed appropriate, and in accordance with current academic regulations, *"in the case that the student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of various irregularities occur in the evaluation of the same subject, the final grade of this subject will be 0"*. **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

Evaluation activities

| Title | Weighting | Hours | ECTS | Learning outcomes |
|---|-----------|-------|------|---|
| Assignments, participation and proposed class exercises | 10% | 1 | 0.04 | 2, 15, 4, 5, 1, 6, 7, 9, 13, 10, 11, 12, 8, 14, 16, 17, 3 |
| Essay / written report | 15% | 2 | 0.08 | 2, 15, 4, 1, 6, 7, 9, 13, 10, 11, 12, 8, 14, 16, 17, 3 |
| Written exams | 75% | 3 | 0.12 | 2, 15, 4, 5, 1, 6, 9, 13, 10, 11, 12, 8, 14, 16, 3 |

Bibliography

There is no single textbook covering the whole course. Articles, reports and book chapters will be occasionally supplied either as a compulsory reading or as complementary material of the course. Among them, frequent use will be made of the following sources:

A. Estrada, J.F. Jimeno, J.L. Malo de Molina, The performance of the Spanish economy in EMU: the first ten years, in J.F. Jimeno (ed.) Spain and the Euro: the first ten years, Banco de España, 2009, pages: 83-138. Available at: https://www.bde.es/bde/en/secciones/informes/Otras_publicacio/Spain_and_the_eu/

Bank of Spain, Report on the financial and banking crisis in Spain, 2008-2014. Available at: https://www.bde.es/bde/en/secciones/informes/Otras_publicacio/informe-sobre-la/

Bank of Spain. Annual Report. Available at: https://www.bde.es/bde/es/secciones/informes/Publicaciones_an/Informe_anual/

Bank of Spain: Economic Bulletin (quarterly). Available at: https://www.bde.es/bde/en/secciones/informes/boletines/Boletin_economic/

Funcas: Spanish Economic and Financial Outlook. Available from: http://www.funcas.es/publicaciones_new/publicaciones.aspx

La Caixa: research on the Spanish economy. Available from: <http://www.caixabankresearch.com/en/geographic-areas/spanish-economy>