Macroeconomics I

Code: 102384
ECTS Credits: 6

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

Contact

Name: Francisco Obiols Homs

Email: Francesc.Obiols@uab.cat

Use of Languages

Principal working language: spanish (spa)

Some groups entirely in English: Yes

Some groups entirely in Catalan: Yes

Some groups entirely in Spanish: Yes

Teachers

José Clemente Polo Andrés

Barbara Masi

Fabio Cerina

Prerequisites

Introduction to Economics.
Math I.
Math II.
Statistics I.

Objectives and Contextualisation

This course proposes and discusses the main tools and instruments from both the theoretical and the empirical point of view, to be used in the analysis of the evolution of an economic systrem. Main themes of study are Production, and the distribution and allocation of income over time, and its relationship with other agreggate (macro-economic) variables of interest.

Competences

Business Administration and Management
- Apply mathematical instruments to synthesise complex economic-business situations.
- 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 an understanding of the basic and intermediate foundations of macroeconomics.
- Demonstrate initiative and work individually when the situation requires it.

- Demonstrate knowledge of the interrelationships between different economies, the role of national and international economies, their evolution and the consequences that may be produced for the company.
- 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.

Economics
- Demonstrate knowledge of the interrelationships between different economies, the role of national and international economies, their evolution and the consequences that may be produced for the company.

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. Calculate the steady state in the Solow model and determine equilibrium in the IS-LM and Mundell-Fleming models.
3. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
4. Demonstrate initiative and work independently when required.
5. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
6. Describe the determinants of economic growth and the international differences in income per capita.
7. Examine the effect of economic policies on macroeconomic variables and assess the effects of countercyclical policies.
8. Identify the elements of the gross domestic product and the national income.
9. Organise work, in terms of good time management and organisation and planning.
10. Relate unemployment and inflation.
11. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
12. Understand the determinants of job offers and job-seeking on an individual basis.

Content

1. Introduction

1.1 Macroeconomic variables.

1.2 Gross domestic Product (GDP).

1.3 Inflation and the cost of living: GDP deflator and CPI.

1.4 The circular flow of incomo: Production, distribution and expenditue.

2. Growth and economic growth models.

2.1 Growth and growth accounting.

2.2 Capital accumulation, technological progress; Solow's model.

2.3 Emprical evidence: absolute and conditional convergence.

2.4 A simple model of endogenous growth.

3. The labor market

3.1 Main variables.

3.2 A simple model of the natural rate of unemployment

3.3 Frictional unemployment

3.4 Structural unemployment

4. Economic fluctuations

4.1 Economic cycles.

4.2 The aggregate demand curve.

4.3 Aggregate supply in the short and long run.

5. The IS-LM model IS-LM and the aggregae demand curve.

5.1 The Keynesian cross model.

5.2 Multipliers and fiscal policy

5.3 The IS curve.

5.4 Financial assets, money market and the LM curve.

5.5 Effects of monetary and fiscal policies in the IS-LM model

5.6 The aggregate demand curve.

6. Macroeconomics in an open economy.

6.1 Exchange rates and exchange rates regimes.

6.2 The Mundell-Fleming model.

6.3 Effects of fiscal and monetary policies in an open economy.

Methodology

This subject combines lectures with ITC support and more applied sessions devoted to problem solving.

Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Exercices and group discussion.	11.5	0.46	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11
Lectures	33	1.32	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11
Type: Supervised			
Tutorials.	20	0.8	2, 3, 6, 12, 7, 8, 5, 10
Type: Autonomous			
Readings	20	0.8	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11
Study. Preparing excercises and group discussion.	60.5	2.42	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11

Assessment

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 anevaluation 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).**

Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Final examination	50 % of the final grade	2	0.08	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11
Mid term exams	40% of the final grade.	1.5	0.06	2, 1, 4, 6, 12, 7, 8, 5, 10
Problem sets and other homeworks.	10% of the final grade.	1.5	0.06	2, 1, 3, 4, 6, 12, 7, 8, 5, 9, 10, 11

Bibliography

It is preferable to use the original Englisht textbooks:

Mankiw, N. G., Macroeconomics, 8th edition, 2011. Barcelona: Antoni Bosch Editor.
Blanchard, O., A. Amighini y F. Giavazzi, *Macroeconomics. A European Perspective,* 2013. New York: Pearson.