

Macroeconomics

Academic Year: (2019 / 2020)

Review date: 20-05-2020

Department assigned to the subject: Department of Economics

Coordinating teacher: SEOANE BERNADAZ, HERNAN DANIEL

Type: Compulsory ECTS Credits : 3.0

Year : 1 Semester : 2

STUDENTS ARE EXPECTED TO HAVE COMPLETED

Undergraduate macroeconomics, microeconomics and multivariate calculus

COMPETENCES AND SKILLS THAT WILL BE ACQUIRED AND LEARNING RESULTS.

Understand measurement and basic macroeconomic variables

Understand financial relationships between agents in the open economy (government, central bank and private sector with the rest of the world) and get knowledge about the financing of central government

Understand basic modern consumption and investment theories

Understanding basic monetary and fiscal policy concepts

Study recent developments in the open economy

DESCRIPTION OF CONTENTS: PROGRAMME

Measurement and definitions in macroeconomics

Budget constraints: financial relationships between government, central bank, private sector and the rest of the world

Consumption theory: Keynesian theory, Intertemporal Utility Maximization Problems, Permanent consumption hypothesis and application to financial markets

Investment theory: capital demand, user cost of capital, Tobin's Q

Fiscal and monetary policy: key concepts as Ricardian Equivalence, concepts of money demand. Interaction between fiscal and monetary policy

Open Economy: the current account and the capital account. Small open economy models. Technology shocks, terms of trade shocks, interest rate spread shocks

LEARNING ACTIVITIES AND METHODOLOGY

Theoretical classes to introduce and develop concepts

Problem sets resolution

ASSESSMENT SYSTEM

Class participation

Problem sets

Final exam

% end-of-term-examination:	60
% of continuous assessment (assignments, laboratory, practicals...):	40