

Academic Year: ( 2024 / 2025 )

Review date: 25-04-2024

Department assigned to the subject: Economics Department

Coordinating teacher: JACOBS ALVAREZ, GERARDO

Type: Compulsory ECTS Credits : 3.0

Year : 1 Semester : 1

**REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)**

The students will benefit from previous studies in Intermediate Macroeconomics and International Trade at the bachelor degree.

**OBJECTIVES**

- Acquire skills which can be used to develop new ideas, in a research context.
- Students will be able to apply the ideas of the course to understand and interpret both real world situations and more research oriented issues.
- Students will be able to acquire a framework to communicate in a formal way their arguments to both a general audience and to a more specialized audience.
- Students will learn the basics to be able to continue studying beyond the material of the course in an independent way.
  
- Interpret economic data.
- Apply economic analysis.
- Explain complex economic arguments both orally and written.
- Acquire enough skills to keep on studying in an independent way.
- Know basic principles of economic analysis.
- Understand both classical and new models of international trade.
- Study economic policies and their macroeconomic consequences.
- Study international macroeconomics.
- Study financial crisis and their consequences.
- Understand the origin and effects of bubbles.

**DESCRIPTION OF CONTENTS: PROGRAMME**

1. International Trade
  - 1.1 Introduction
  - 1.2 Main empirical facts on world trade
  - 1.3 Theoretical frameworks:
    - 1.3.i. Gravity equations: main determinants of bilateral trade.
    - 1.3.ii. Ricardian model: Theory of comparative advantage.
    - 1.3.iii. Specific factors and income distribution.
  - 1.4 International trade policy
    - 1.4.i. Trade tariff in detail.
    - 1.4.ii. Brief overview of other political instruments.
    - 1.4.iii. Political aspects of international trade.
    - 1.4.iv. Policy in emerging economies.
2. Open Economic Macroeconomics
  - 2.1. Small open economy in the long run
  - 2.2. Small open economy in the short run.
  - 2.3. Crisis in emerging economies.
    - 2.3.i. Sovereign debt crisis.
    - 2.3.ii. Other forms of crisis in emerging economies.

## LEARNING ACTIVITIES AND METHODOLOGY

### ACTIVITIES

Theory lectures  
Applied lectures  
Office hours  
Work in groups  
Individual work

### METHODOLOGY

- Lectures of the professor with the help of slides in which the main concepts of the course are taught and the reading list is given.
- Required readings.
- Discussion in class under the moderation of the professor of different topics related with the course.
- Assignments.

### ASSESSMENT SYSTEM

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

Final exam 60%, class participation 20% and problem sets 20%. In order to pass the course, there is a minimum grade requirement of 5/10 in the final exam.

### BASIC BIBLIOGRAPHY

- Krugman, Obstfeld y Melitz International Economics Theory and Policy, Pearson, 2018