

## MACROECONOMICS I

### COURSE OUTLINE SUMMER SEMESTER 2023

Prof. Dr. Michael Roos/Dr. Jessica Reale

#### CONTENT

This module covers theoretical models on business cycle fluctuations and growth, inflation, and unemployment at an intermediate to advanced level. It provides an overview of the most critical macroeconomic topics and introduces students to important concepts for more advanced macroeconomics studies and practical work in this field. The focus of this module is on aggregate models without micro-foundations. The course will integrate the financial system with a model of the macro-economy. In doing this, it takes account of the gaps in the mainstream model exposed by the financial and Eurozone crises. This equips the students with a realistic modelling framework to analyse the economy in crisis times and periods of stability.

#### MODULE OBJECTIVES

- You learn how to work with macroeconomic models at an intermediate to advanced level.
- You get an overview of critical macroeconomic topics and facts.
- You acquire knowledge that is necessary to understand financial crises, their unfolding, and possible solutions.
- You acquire sound theoretical foundations for macroeconomic policy analysis.

#### PREREQUISITES

Students will need excellent English skills and the willingness to deal with mathematical economic models. Knowledge of macroeconomic models and concepts at the principles to intermediate level is expected. We recommend reading the following chapters before the start of the course to familiarize yourself with the style of the book and to make a recap of the most crucial concepts needed to progress on the course.

- Chapter 1, "The demand side."
- Chapter 2, "The supply side."

From the textbook: Carlin W., Soskice D., (2015) *Macroeconomics. Institutions, Instability, and the Financial System*. Oxford University Press.

#### ORGANIZATION

This module consists of lectures and tutorials.

#### Participants:

no restriction

#### Lecture:

**Please note:** Attending the lectures will help you understand the material and also help students gauge what is important for the exam. This does not imply exam's questions will only come from lectures, only that in class

the lecturer will cover the more challenging material from the relevant material (i.e., the textbook) recommended for the course. Students are responsible for the information in the recommended material **AND** in the lectures.

**Assessment:** 1 written assessment will take place through Moodle. The assessment will not be graded; only those who pass the mid-term are eligible for the exam. Further details will be provided in due time.

**Time and place:** Lecture: Friday, 10-12 h (Recorded video lecture)  
Q&A: Tuesday, 12-14 h (HZO 90)

**Start:** April, 11<sup>th</sup> 2023 (Introduction to the course)

**Intermediate assessment date:** 16.05.2023 (12:00 - 12:30h)

**Exam Registration:** via FlexNow.

**Resit exam in the Winter Semester 2023:** written exam (90 minutes), the date and further details will be announced in due time.

**Resit Exam Registration:** via FlexNow, details will be announced in due time.

## **SELF-STUDY**

This module contains 120 hours of self-study. You are expected to prepare the lecture by reading the relevant chapters of the textbook.

## **COURSE TEXTBOOK**

It is strongly recommended to acquire the following textbook (it is also available at the Department library):

Carlin W., Soskice D., (2015) Macroeconomics. Institutions, Instability, and the Financial System. Oxford University Press

**Further literature and information will be provided on Moodle.**

## SCHEDULE

The following schedule is **preliminary** and subject to changes. Any change will be announced on Moodle in due course.

Lectures		Q&A		Assessment	
Date	Topic	Book sections	Date	Type & Place	Date & Time
11.04.2023	Course Introduction	–	–	–	–
14.04.2023	The 3-equation model and macroeconomic policy	3.1 and 3.2	–	–	–
21.04.2023	Applications of the 3-equation model	3.3 - 3.5	–	–	–
28.04.2023	Expectations	4.1.,4.2,4.3,4.4,4.6,4.7	–	–	–
05.05.2023	Monetary policy	13.1 - 13.5	09.05.2023	–	–
–	<b>Mid-term assessment</b>	all of the above	–	Multiple Choice (Moodle)	16.05.2023 12:00 – 12:30h
12.05.2023	Money, banking and the macroeconomy	5	–	–	–
19.05.2023	The financial sector and crises	6	–	–	–
26.05.2023	The global financial crisis: applying the models	7.1 - 7.4	–	–	–
–	Pfingstferien (Holiday)	–	–	–	–
09.06.2023	Policy intervention in the crisis	7.5 and 7.6	13.06.2023	–	–
–	<b>Deadline for exam registration (FlexNow)</b>	–	–	–	16.06.2023
16.06.2023	Fiscal policy	14.1, 14.2, 14.5, 14.6	–	–	–
23.06.2023	Banking and macroprudential regulation	13.6 and 13.7	–	–	–
30.07.2023	Debt dynamics	14.3	–	–	–
07.07.2023	The Eurozone economy	12.1 - 12.4	11.07.2023	–	–
–	<b>Exam</b>	all of the above	–	Written Exam	01.08.2023 10:00 – 12:00h