



## INTERMEDIATE MACROECONOMICS

<b>Course code</b>	<i>ECO129</i>
<b>Course title</b>	<i>Intermediate Macroeconomics</i>
<b>Type of course</b>	<i>Compulsory</i>
<b>Study level</b>	<i>1<sup>st</sup></i>
<b>Department</b>	<i>Bachelor studies</i>
<b>Year of study</b>	<i>3<sup>rd</sup></i>
<b>Semester</b>	<i>Spring</i>
<b>ECTS credits</b>	<i>6: 48 hours of lectures and seminars, 112 hours of individual work, 2 hours of consultations</i>
<b>Lecturer</b>	<i>Marius Kušlys, PhD Cand.</i>
<b>Study form</b>	<i>Full-time</i>
<b>Prerequisites</b>	<i>Macroeconomics</i>
<b>Language</b>	<i>English</i>

### Annotation

It is an intermediate course in macroeconomics. The students will learn about economic growth theories, business cycle theories. The second part of the course will be devoted to the determinants of consumptions, investment, and unemployment. Finally, fiscal and monetary policies will be discussed.

### Aim of the course

This is a course in intermediate macroeconomics, designated for students with knowledge in basic economics. Its objective is to present theoretical knowledge and practical skills required for studying the overall economic development of a country. Students will know how to analyse the most important macroeconomic phenomena from different aspects, and the impact of governmental macroeconomic policies on participants in the economy. This course trains skills in comprehension and analysis of macroeconomics policies.

<b>Subject Learning Outcome (SLO)</b>	<b>Study methods</b>	<b>Assessment methods</b>
SLO1. Differentiate the main theories in macroeconomics	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO2. Relate economic problems with their time perspective	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO3. Consider the effectiveness of economic policies in different environment	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO4. Graphically model macroeconomic situations using appropriate macroeconomic theories	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO5. Discuss the main aspects of economic growth theories	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO7. Apply the statements of classical theory when analysing an economy in the long run	Lectures, seminars, individual study, group study	Midterm test, group project, final exam
SLO8. Develop researching skills	Seminars, group study	Group project

### Teaching and learning methods

The course is organized as a combination of lectures, practical tasks (problem solving), individual student and team activities in analysing and presenting the macroeconomic situations of EU and other countries, discussions.



### Course contents

No.	Topics	In-class hours	Readings
1.	Introduction. The science of Macroeconomics; The data of Macroeconomics	4	[2] 1,2
2.	The Solow Growth Model	4	[1] 1 [2] 7,8
3.	Endogenous Growth Model	4	[1] 3 [2] 7,8
4.	Cross-Country Income Differences	4	[1] 4
5.	Business-Cycle Theory	4	[1] 5 [2] 9,10,11,12,13
6.	Mid-term exam	2	
7.	Consumption	4	[1] 8 [2] 16
8.	Investment	4	[1] 9 [2] 17
9.	Unemployment	4	[1] 11 [2] 6
10.	Inflation and Monetary Policy	4	[1] 12 [2] 14
11.	Budget Deficit and Fiscal Policy	4	[1] 13 [2] 15
12.	Group analysis presentations	6	
<b>Total hours:</b>		<b>48</b>	

### Assessment methods

Type	Self-study hours	Final grade, %
Midterm exam (Topics 1-5)	43	35
Group analysis	25	25
Final exam (Topics 7-11)	44	40
<b>Total:</b>	<b>112</b>	<b>100</b>

### Course requirements

1. **Mid-term and Final Exams.** The midterm examination counts for 35% and the final examination counts for 40% of the final grade. The exams will consist of problems that are based on the material presented in class and required readings related to the topics presented. The exams will cover all theoretical issues presented in this syllabus and discussed or presented in the practice sessions.
2. **Group Analysis.** The group tasks count for 25% of the final grade. Students work in groups of 2 students. The concrete tasks will be defined during the first seminar. The evaluation of the group work will take place in the last lecture.
3. **Re-take of the exam.** Students who receive a failing final grade shall have the right to re-take the exams during the re-sit week, which will comprise **75%** of the final grade. The individual/group assignments cannot be resubmitted at a later time.

### Required readings

1. Romer, D. (2019). *Advanced Macroeconomics*. Boston: McGraw-Hill.
2. Mankiw, G. N. (2007). *Macroeconomics*, 6th edition. New York: Worth Publishers.

### Recommended readings

3. Gillman, M. (2011). *Advanced modern macroeconomics: analysis and application.*: Financial Times Prentice Hall, 2011. 604 p. ISBN 9780273726524.
4. Scarth, W. (2014). *Macroeconomics: the development of modern methods for policy analysis*. Cheltenham : Edward Elgar.