

MACROECONOMICS

Grado en Administración de Empresas / Bachelor in Business Administration BBA SEP-2024 MACRO-NBA.2.M.G

Area Economics

Number of sessions: 30

Academic year: 24-25

Degree course: SECOND

Number of credits: 6.0

Semester: 1º

Category: BASIC

Language: English

Professor: **PAULINA ELISA ETXEBERRIA GARAIGORTA**

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Academic background:

PhD in Economics, European Doctor, UPV/EHU (Bilbao).

MPhil. Quantitative Finance, UCM (Madrid), UV (Valencia), UPV/EHU (Bilbao).

M.A. Business and Economics, University Pompeu Fabra (Barcelona).

Degree in Economics, UPV/EHU (Bilbao).

Research experience:

Researcher at Boston College (Boston), 2017.

Researcher at University of Pennsylvania (Philadelphia), 2007, 2011- 2013.

Researcher at European University Institute (Florence), 2009.

Researcher at UPV/EHU, 2005-2008, 2010-2011, 2013-2014.

She has addressed seminars and conferences at several institutions such as Symposium of Economic Analysis, Encuentros de Economía Aplicada, ASSET Annual Meeting, Symposium of Economic Theory and Applications, DEGIT Dynamics, Economic Growth and International Trade, All China (ACE) International Conference.

Her research has been published in scientific journals and books. She has been involved and has participated in several research networks and long-duration projects financed by the European Commission and the Spanish Ministry of Science and Innovation.

Teaching experience:

IE University, Undergraduate 2014-2024: Introduction to Economics, Microeconomics, Foundations of Macroeconomics, Macroeconomics, Global Economic Environment, Economics, Policy and Technology, Economic Growth and Inequality, Poverty and Inequality, IE Humanities.

IE University, Graduate 2023-24: Master in Applied Economic, Master in Sustainability.

She has been awarded for "Good teaching Evaluations" for the years 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2021-22 and 2022-23.

Brown University, 2020; 2022-2024: Principles in Economics.
UPV/EHU 2005-2011, 2013-2014: Macroeconomic Theory, Political Economy II, Finance, Asset Pricing, Introduction to Matlab.
IE University, 2017-2021: Final Project Advisor
IE University 2019-2023: Student supervisor

Consulting experience:

She worked on research and international consulting services on innovation and urban growth and development in cities and regions.

Office Hours

Office hours will be on request. Please contact at:

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SUBJECT DESCRIPTION

Macroeconomics is the branch of economics that studies the behavior of the economy as a whole, as a single aggregate. It is the science that seeks to identify what makes a country's economy dynamic and healthy and what can explain the troubles and instability sometimes experienced by others. We can consider as healthy an economy that experiences steady growth, full employment, low inflation, sound public finances, and a balanced external sector. Therefore, the field of Macroeconomics is the one that helps understand, prevent, and eventually counteract, the reasons for low growth, high unemployment, sharp cyclical swings, and imbalances in the public and external sectors. Understanding these issues builds the basis to identify the potential role of governments to improve the health of their economies through their public policies; it also helps assess the potential impact of inadequate macroeconomic policies.

Prevailing and prospective aggregate economic conditions should always be a key consideration when making all kinds of business decisions. The right business environment is a prerequisite for the success of any entrepreneurial projects, as well as for getting reasonable returns on any financial investment. This course seeks to provide students with the basic tools to understand real world economic developments and their consequences for business activity, and to help them make their own critical assessment regarding economic conditions and economic policies.

LEARNING OBJECTIVES

After completing this course, students should be capable of analyzing and understanding current economic events, of appraising the overall state of any economy, of identifying the reasons for its healthy or unhealthy state, and of making their own critical assessment regarding macroeconomic policies in place (often the subject of heated economic debates). For this, the course will develop a theoretical background that helps explain the links between the main macroeconomic aggregates. It will do so with a strong focus placed on the practical implications of the underlying theory. Analytical treatment of the core theory will be kept as simple as possible, mainly supported by graphical analysis. Within the economics science, Macroeconomics is the discipline that remains more controversial when it comes to choosing a single theoretical model that explains real life events. Students will be introduced to the main existing schools of thought and will be invited to assess for themselves the practical usefulness of the different theoretical approaches. Environmental, social and governance (public and corporate) issues will arise in the context of our daily debates regarding the performance of the economy of different countries and the role of governments in economic life. Students will be encouraged to highlight sustainability concerns, to use economic tools to analyze the challenges involved, and to use economic analysis to identify the most appropriate answers.

TEACHING METHODOLOGY

IE University teaching method is defined by its collaborative, active, and applied nature. Students actively participate in the whole process to build their knowledge and sharpen their skills. Professor's main role is to lead and guide students to achieve the learning objectives of the course. This is done by engaging in a diverse range of teaching techniques and different types of learning activities such as the following:

Learning Activity	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	26.7 %	40.0 hours
Discussions	13.3 %	20.0 hours
Exercises in class, Asynchronous sessions, Field Work	13.3 %	20.0 hours
Group work	16.7 %	25.0 hours
Individual studying	30.0 %	45.0 hours
TOTAL	100.0 %	150.0 hours

PROGRAM

SESSION 1 (LIVE IN-PERSON)

A Tour of the Course

Other / Complementary Documentation: Syllabus and Assignments Instructions

SESSION 2 (LIVE IN-PERSON)

ESG in the context of Economic News Debate

Key Macroeconomic Indicators

Book Chapters: Chapter 2 , 0. Blanchard, Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

SESSION 3 (LIVE IN-PERSON)

Key Macroeconomic Indicators

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 2, 0. (See Bibliography)

SESSION 4 (LIVE IN-PERSON)

Key Macroeconomic Indicators

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 2, 0. (See Bibliography)

Book Chapters: Chapter 3 , 0. Blanchard, Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

SESSION 5 (LIVE IN-PERSON)

Key Macro Indicators

ESG in the context of Economic News Debate

Book Chapters: Chapter 2 , 0. Blanchard, Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 3, 0. (See Bibliography)

Book Chapters: Chapter 18 (sections 1, 2, 3) 0. Blanchard, Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

SESSION 6 (LIVE IN-PERSON)

The Demand Side: the Goods market

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 3, 0. (See Bibliography)

Book Chapters: Chapter 18 (sections 1, 2, 3) 0. Blanchard, Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

SESSION 7 (LIVE IN-PERSON)

The Demand Side: the Goods market in an Open Economy

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 3, 0. (See Bibliography)

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 18 (sections 1, 2, 3) 0. (See Bibliography)

SESSION 8 (LIVE IN-PERSON)

The Demand Side: The Demand for Money, The Financial Markets

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 4, 0. (See Bibliography)

SESSION 9 (LIVE IN-PERSON)

The Demand Side: The Demand for Money, The Financial Markets

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 4, 0. (See Bibliography)

SESSION 10 (LIVE IN-PERSON)

The Demand Side: The Demand for Money, The Financial Markets

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 4, 0. (See Bibliography)

SESSION 11 (LIVE IN-PERSON)

Short run equilibrium in Goods and Financial Markets: The IS-LM Model

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 4, 0. (See Bibliography)

SESSION 12 (LIVE IN-PERSON)

Short run equilibrium in Goods and Financial Markets: The IS-LM Model

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 5, 0. (See Bibliography)

SESSION 13 (LIVE IN-PERSON)

Short run equilibrium in Goods and Financial Markets: The IS-LM Model

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 5, 0. (See Bibliography)

SESSION 14 (LIVE IN-PERSON)

Short run equilibrium in Goods and Financial Markets: The IS-LM Model

ESG in the context of Economic News Debate

Review session

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 5, 0. (See Bibliography)

SESSION 15 (LIVE IN-PERSON)

ESG in the context of Economic News Debate

Review

SESSION 16 (LIVE IN-PERSON)

Midterm Exam I

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 7, 0. (See Bibliography)

SESSION 17 (LIVE IN-PERSON)

The Supply Side: The Labor Market

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 7, 0. (See Bibliography)

SESSION 18 (LIVE IN-PERSON)

The Supply Side: The Labor Market

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0. (CED)

SESSION 19 (LIVE IN-PERSON)

The Labor Market

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0. (CED)

SESSION 20 (LIVE IN-PERSON)

Putting All Markets Together: AS - AD Model

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0. (CED)

SESSION 21 (LIVE IN-PERSON)

Putting All Markets Together: AS - AD Model

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0. (CED) (See Bibliography)

SESSION 22 (LIVE IN-PERSON)

Putting All Markets Together: AS - AD Model

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0.

SESSION 23 (LIVE IN-PERSON)

The Economy in the Long Run

ESG in the context of Economic News Debate

Book Chapters: O. Blanchard. (2009). Macroeconomics. 5th Edition - Chapter 7, 0.

SESSION 24 (LIVE IN-PERSON)

The Economy in the Long Run: The Facts of Growth

ESG in the context of Economic News Debate

Book Chapters: Chapter 10, 0. Blanchard Macroeconomics Global Edition, 8th Edition, 2020 (See Bibliography)

SESSION 25 (LIVE IN-PERSON)

Simulation: 10 Downing Street

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 24, 0. (See Bibliography)

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 24, 0. (See Bibliography)

Games & Simulations: Case: 10 Downing Street (EEN090064-U-ENG-HTM)

SESSION 26 (LIVE IN-PERSON)

The Story of Macroeconomics

ESG in the context of Economic News Debate

Book Chapters: Olivier Blanchard. (2020). Macroeconomics. 8th Edition - Chapter 24, 0. (See Bibliography)

SESSION 27 (LIVE IN-PERSON)

Course Projects

SESSION 28 (LIVE IN-PERSON)

Course Projects

SESSION 29 (LIVE IN-PERSON)

Course Projects

SESSION 30 (LIVE IN-PERSON)

Midterm Exam II

EVALUATION CRITERIA

There will be two midterms, each worth 30% of the final grade. Each exam will cover half of the material. Passing the course will require a minimum average grade of 5/10 in the two midterms. This course has no Final exam. Failing the course will mean retaking all the course material in the extraordinary call. All exams will be PRESENTIAL. Exams instructions are provided below in section Macro Exam Instructions.

Participation is compulsory. Two main criteria will be used in reaching judgment about participation, frequency and quality of contributions. Lack of contribution in class activities will be graded as 0.

Detailed instructions regarding learning activities will be posted on Blackboard since the beginning of the course.

Up to ten extra points (over 100) can be awarded (bonus) or extracted (malus) for extraordinary contributions (+) or penalties for class misbehavior (-)

criteria	percentage	Learning Objectives	Comments
Assignments/Presentations	30 %		Learning Activities
Class Participation	10 %		Class Participation
Exams	60 %		Two EXams

RE-SIT / RE-TAKE POLICY

RE-SIT/RE-TAKE POLICY

Each student has four (4) chances to pass any given course distributed over two (2) consecutive academic years. Each academic year consists of two calls: one (1) ordinary call (during the semester when the course is taking place); and one (1) extraordinary call (or “re-sit”) in June/July.

The Extraordinary Call Evaluation criteria will be subject to the following rules:

Students failing the course in the ordinary call (during the semester) will have to re-sit evaluation for the course in June / July (except those students who do not comply with the attendance rule, and therefore will not have that opportunity, since they will fail both calls and must directly re-enroll in the course during the next Academic Year).

It is not permitted to change the format nor the date of the extraordinary call exams or deadlines under any circumstance. All extraordinary call evaluation dates will be announced in advance and must be taken into consideration before planning the summer (e. g. internships, trips, holidays, etc.)

The June/July re-sit will consist of a comprehensive evaluation of the course. Your final grade for the course will depend on the performance in this exam or evaluation only. I.e., continuous evaluation over the semester (e. g. participation, quizzes, projects and/or other grade components over the semester) will not be taken into consideration on the extraordinary call. Students will have to achieve the minimum passing grade of 5 and the maximum grade will be capped at 8.0 (out of 10.0) – i.e., “notable” in the extraordinary call.

Re-takers: Students who failed the subject on a previous Academic Year and are now re-enrolled as re-takers in a course will need to check the syllabus of the assigned professor, as well as contact the professor individually, regarding the specific evaluation criteria for them as re-takers in the course during that semester (ordinary call of that Academic Year). The maximum grade that may be obtained as a retaker during the ordinary call (i.e., the 3rd call) is 10.0 (out of 10.0).

After exams and other assessments are graded by the professor (on either the ordinary or extraordinary call), students will have a possibility to attend a review session (whether it be a final exam, a final project, or the final overall grade in a given course). Please be available to attend the session in order to clarify any concerns you might have regarding your grade. Your professor will inform you about the time and place of the review session.

Students failing more than 18 ECTS credits after the June/July re-sits will be asked to leave the Program. Please, make sure to prepare yourself well for the exams in order to pass your failed subjects.

In case you decide to skip the opportunity to re-sit for an exam or evaluation during the June/July extraordinary call, you will need to enroll in that course again for the next Academic Year as a re-taker, and pay the corresponding tuition fees. As you know, students have a total of four (4) allowed calls to pass a given subject or course, in order to remain in the program.

MACROECONOMICS EXAMS INSTRUCTIONS

MACRO exams will **follow IEU Close-Book Exams – Policy** (available in Blackboard), prepared by Program Managers to ensure fair and ethical behavior on the part of all students. On top of those general instructions, some more specific rules will apply in this subject:

All exams will be **PRESENTIAL** with no possible exemptions. Students must be able to show their University ID. They must also **sign an attendance document** provided by the professor/invigilant. Failing to bring the ID will prevent from taking the exam, and failing to sign for attendance will be considered an absence and, therefore, the grade will be zero.

Computers/tablets must be connected to **IE University wifi** in order to be able to monitor, if necessary, the use of internet during the exam. Exams submitted from other connections will be turn down and graded with zero.

All electronic devices other than the laptop or tablet for the exam (smartwatches, cell phones, headphones, etc) should be put away and remain out of sight during the exam.

To ensure that no unethical behavior takes place, exams will be given **either on paper format or proctored with Smowl**. If Smowl is used, students must make sure to have **all files, programs, and apps fully closed**. If some files, programs, or apps, are found opened, it will be assumed that the student is cheating, the grade will be zero, and the incident will be reported to the Ethics Committee. Smowl must be connected all through the exam, any technical disruptions should be immediately reported to the professor/invigilant. Working out the exam without proctoring, for any lapse of time, will be considered cheating.

For non-paper exams, the computer screen should be visible and display a degree of brightness that allows the professor/invigilant to monitor the exam. If it is covered or shows excessive dimness, the student will be requested to change.

If students are allowed to leave the exam before everyone has finished, they must show proof of submission to the professor/invigilant (a square message generated once you fully submit).

Exam questions will be displayed one at a time with no backtracking allowed.

USE OF AI IN THE COURSE

Access to Artificial Intelligence (AI) has unlocked a myriad of opportunities for learning Macroeconomics. It has the potential to enhance and streamline the learning process by offering in-depth insights into various topics, real-life economic scenarios, and personalized explanations of intricate theoretical concepts. Nonetheless, the utilization of AI must be conducted responsibly and in accordance with ethical principles. Course assignments will specify the permissible use of AI within their instructions, and students are expected to adhere to the prescribed guidelines. In all instances, the utilization of AI tools, texts, sources, or outputs must be appropriately acknowledged. Assignments should accurately reflect the value contributed by students, ensuring that such contributions are distinctly attributable[1].

[1] The drafting of this text has been revised and improved by ChatGPT

BIBLIOGRAPHY

Compulsory

- Olivier Blanchard. (2020). *Macroeconomics*. Eighth Edition - Global Edition.

Pearson. ISBN 9781292351476 (Digital)

- O. Blanchard. (2009). *Macroeconomics*. 5th Edition. Pearson. ISBN

978013038771 (Digital)

Chapter 7

Recommended

- N. Gregory Mankiw. (2022). *Macroeconomics (International Edition)*. 1st Edition.

Macmillan Learning. ISBN 978131946688 (Digital)

- Paul Krugman and Robin Wells. (2018). *Macroeconomics*. 5th. Macmillan. ISBN

1319181953 (Digital)

BEHAVIOR RULES

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

ATTENDANCE POLICY

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

ETHICAL POLICY

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.