



PRESENTATION

The objective of the course is to introduce the basic concepts and tools of macroeconomic analysis. The student will learn how to use different economic models to analyze and understand current economic issues. The course starts with a discussion of how to build and interpret the main data we use for macroeconomic analysis. It then presents the functioning of the economy and the causes and consequences of inflation. The course concludes with a study of the model of aggregate demand and supply and a discussion of the causes and policy implications of short-run fluctuations. The program addresses major issues on the agenda of policymakers, including inflation, unemployment, growth, etc.

- **Degree:** BBA / Economics.
- **Módulo/Materia:** ADE bilingüe: Modulo V. Economía / Materia V.I Economía; Economía bilingüe: Modulo I. Economía general / Materia I.2 Macroeconomía;
- **ECTS:** 6
- **Course, semester:** 1st course, 1st semester.
- **Type:** Compulsory.
- **Professors:** Guillermo Pérez Tellechea (gperez.1@external.unav.es) & Pedro García del Barrio (pgbarrio@unav.es)
- **Language:** English.
- **Room and Lectures schedule:** www.unav.edu/web/facultad-de-ciencias-economicas-y-empresariales/estudiantes/horarios

RESULTADOS DE APRENDIZAJE (Competencias)

Basic Competencies

- BC1. Students must demonstrate that they possess and understand knowledge in an area of study based on a general secondary school education whose content often comes from advanced textbooks, but also includes cutting-edge knowledge in this field of study.

General competences

- GC1. To be familiar with different areas of the theory and/or application of economic analysis.

Specific competences

- CE17. To explain the value generated by an economic activity for each agent involved in it.

PROGRAM

In BLUE you can see the chapters of the main textbook, by Mankiw and Taylor (M&T), associated with each chapter of the syllabus.

PART 1. Introduction

Chapter 1. Scope of economic analysis and models (M&T 2)

PART 2. The Data in Macroeconomics

Chapter 2. Measuring a Nation's Income (M&T 20)



- The Economy's Income and Expenditure
- How to Measure Gross Domestic product (GDP)
- The Components of GDP

Chapter 3. Measuring the Cost of Living (M&T 21)

- The Consumer Price Index
- Real versus Nominal variables

PART 3. The Real Economy in the Long-Run

Chapter 4. Production and Growth (M&T 22)

- Economic Growth around the World
- Productivity: Role and Determinants
- Solow Growth Model

Chapter 5. The Financial System (M&T 24)

- Financial Institutions
- Saving and Investment in the National Accounts
- Budget Deficit and Debt Sustainability

Chapter 6. Unemployment (M&T 23)

- Population Groups and Unemployment Rate
- Types and Causes of Unemployment
- Labour Market Ratios and Income per Capita

PART 4. Money and Prices in the Long-Run

Chapter 7. The Monetary System (M&T 26)

- What is Money?
- Central Banks, Commercial Banks and Monetary Policy

Chapter 8. Inflation: Causes and Costs (M&T 27)

- What Causes Inflation: the Classical Theory of Inflation
- Costs and Benefits of Inflation

PART 5. Short Run Economic Fluctuations

Chapter 9. Aggregate Demand and Supply (M&T 32)

- Key Facts about Short-Run Economic Fluctuations
- The IS-LM Model
- The Aggregate Demand Curve
- The Aggregate Supply Curve

Chapter 10. Effectiveness of Economic Policy on Aggregate Demand (M&T 33)

- Stabilization: Fiscal and Monetary Policies



- Discretionary policy versus Rules policy

PART 6. The Macroeconomics of Open Economies

Chapter 11. Open Economy Macroeconomics (M&T 28, 29)

- The International Flows of Goods and Capital
- The Prices for International Trade: Real and Nominal Exchange Rates
- Fixed and Floating Exchange Rate Regimes.

EDUCATIONAL ACTIVITIES

- In-person classes
- Class presentations
- Class participation
- Exams

GRADING

FIRST CALL GRADING (December)

The final grade of Principles of Macroeconomics is calculated on the basis of:

- **Glossary Exam** - Basic Concepts: 10% of the final grade
- **Ongoing Evaluation** - Problem Sets: 15% of the final grade, attendance (5% of the final grade).
- **Mid-term Exam**: 20% of the final grade
- **Final Exam**: 50% of the final grade.

Besides, in order to pass the course, a grade higher than 4.5/10 in the final Exam is required.

SECOND CALL GRADING (June)

The same criteria will apply in the second call, although the ongoing evaluation will only be considered for students who benefit from it.

* **IMPORTANT NOTE:** The use of devices with connectivity is prohibited during exams; failure to comply with this rule will result in immediate withdrawal from the exam. Please remember that any attempt at fraud, copying, plagiarism, or other irregular behavior constitutes a serious infraction, as outlined in the University of Navarra's academic discipline regulations.

OFFICE HOURS

Guillermo Pérez Tellechea (gperez.1@unav.es): Wednesday, from 12hs to 14hs. Room 2300 , Edificio Amigos.

Pedro García del Barrio (pgbarrio@unav.es): Tuesday, from 12hs to 14hs. Office 3080, Edificio Amigos.

BIBLIOGRAPHY

Main Reference (One of the following textbooks):



Universidad de Navarra

- **Mankiw, G. and Taylor, M.P.** (2014): «Economics», 3rd Ed. Cengage learning (ISBN-13:9781408093795). [Find it in the Library](#). Edición en castellano: Mankiw, G. and Taylor, M.P. (2017): «Economía», Ediciones Paraninfo, S.A. (ISBN: 9788428333672).
- **Mankiw, G.** (2018): «Principles of Economics», 8th Ed. Cengage Learning (ISBN-13: 978-1305585126). [Find it in the Library](#). Edición en castellano: Mankiw, G. (2020): «Principios de Economía», 8th Ed. Cengage (ISBN-13: 9786075269481).

Complementary References:

- **Bade, R., and Parkin, M.** (2015). «Foundations of macroeconomics». Pearson. Edición en castellano: Parkin, M., Esquivel, G., & Muñoz, M. (2007). Macroeconomía. Pearson educación.
- **Bernanke, B. and Frank, R:** Principles of Economics, McGraw-Hill, 3rd edition [Find it in the Library](#)