



Teaching Guide				
Identifying Data				2020/21
<b>Subject (*)</b>	Principles of Macroeconomics	<b>Code</b>	611G02005	
<b>Study programme</b>	Grao en Administración e Dirección de Empresas			
Descriptors				
<b>Cycle</b>	<b>Period</b>	<b>Year</b>	<b>Type</b>	<b>Credits</b>
Graduate	2nd four-month period	First	Basic training	6
<b>Language</b>	SpanishGalician			
<b>Teaching method</b>	Face-to-face			
<b>Prerequisites</b>				
<b>Department</b>	Economía			
<b>Coordinador</b>	Currais Nunes, Luis Claudio	<b>E-mail</b>	luis.currais@udc.es	
<b>Lecturers</b>	Bruna Quintas, Fernando Currais Nunes, Luis Claudio Estevez Mengotti, Carlos Benigno Montes Solla, Paulino Nieto Mengotti, Manuel Vicente Varela Santamaria, Ramon Veiga Fernández, Luís Angel	<b>E-mail</b>	f.bruna@udc.es luis.currais@udc.es c.mengotti@udc.es paulino.montes.solla@udc.es m.nieto1@udc.es r.varela@udc.es l.veiga@udc.es	
<b>Web</b>				
<b>General description</b>	This subject shows a vision of the functioning of markets within the framework of Economic Theory. The economic methodology, basically macroeconomic, will be studied. The analysis will be developed using simple mathematical models and graphic support.			
<b>Contingency plan</b>	<p>1. Modifications to the contents No changes will be made</p> <p>2. Methodologies *Teaching methodologies that are maintained</p> <p>*Teaching methodologies that are modified The lectures are replaced by videoconferences, recordings on Teams, YouTube or similar. The class activities will be done remotely with the support and monitoring of the teachers. The objective test will be maintained, adapting it to the online assessment.</p> <p>3. Mechanisms for personalized attention to students The personalized attention to the student will be carried out by any means that allows to connect with the teacher, either through Moodle, Teams or email, respecting, as far as possible, the personalized attention (tutoring) schedules. In any case, the attention to the student will be flexibly adapted to their needs at times compatible with the availability of the teacher.</p> <p>4. Modifications in the evaluation No changes will be made *Evaluation observations: The minimum marks to add the continuous evaluation to the final exam are suppressed</p> <p>5. Modifications to the bibliography or webgraphy No changes will be made</p>			

Study programme competences / results	
Code	Study programme competences / results
A4	Elaborate advisory reports on specific situations of companies and markets
A6	Identify the relevant sources of economic information and to interpret the content.
A7	Understand economic institutions as a result and application of theoretical or formal representations which explain the evolution of the economy.
A8	Derive, based on from basic information, relevant data unrecognizable by non-professionals.



A10	Read and communicate in a professional environment at a basic level in more than one language, particularly in English
A11	To analyze the problems of the firm based on management technical tools and professional criteria
A12	Communicate fluently in their environment and work by teams
B1	CB1-The students must demonstrate knowledge and understanding in a field of study that part of the basis of general secondary education, although it is supported by advanced textbooks, and also includes some aspects that imply knowledge of the forefront of their field of study
B2	CB2 - The students can apply their knowledge to their work or vocation in a professional way and have competences typically demonstrated by means of the elaboration and defense of arguments and solving problems within their area of work
B3	CB3- The students have the ability to gather and interpret relevant data (usually within their field of study) to issue evaluations that include reflection on relevant social, scientific or ethical
B4	CB4-Communicate information, ideas, problems and solutions to an audience both skilled and unskilled
B5	CB5-Develop skills needed to undertake further studies learning with a high degree of autonomy
B9	CG4-Learn to identify and anticipate opportunities, allocate resources, organize information, select and motivate people, make decisions under conditions of - uncertainty, achieve the proposed objectives and evaluate results
B10	CG5-Respect the fundamental and equal rights for men and women, promoting respect of human rights and the principles of equal opportunities, non-discrimination and universal accessibility for people with disabilities.
C1	Express correctly, both orally and in writing, in the official languages of the autonomous region
C4	To be trained for the exercise of citizenship open, educated, critical, committed, democratic, capable of analyzing reality and diagnose problems, formulate and implement knowledge-based solutions oriented to the common good
C5	Understand the importance of entrepreneurial culture and know the means and resources available to entrepreneurs
C6	Assess critically the knowledge, technology and information available to solve the problems and take valuable decisions
C7	Assume as professionals and citizens the importance of learning throughout life.
C8	Assess the importance of research, innovation and technological development in the economic and cultural progress of society.

## Learning outcomes

Learning outcomes	Study programme competences / results		
To understand economic institutions as a result of applying theoretical or formal representations about the functioning of the economy	A4 A6 A7 A8	B1 B2	C5
To apply professional criteria based on the handling of technical instruments to the analysis of problems. To be able to communicate fluently in the environment and to teamwork.	A10 A11 A12	B3 B4	C7
To value the importance of research, innovation and technological development in the socio-economic and cultural development of the society. To value in a critical way the knowledge, technology and information available to solve the main problems of society.		B5 B9 B10	C1 C4 C6 C8

## Contents

Topic	Sub-topic
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UNIT 1. MACROECONOMIC VARIABLES AND NATIONAL ACCOUNTING.	UNIT 1. 1.1.-Macroeconomics and macroeconomic policy 1.2.- Gross National Product and Net National Product 1.3.- Gross Domestic Product 1.4.- Problems of measurement of national production 1.5.- Nominal production and real production 1.6.- Price indexes 1.7.- National Income, Personal Income, Available Income 1.8.- The Expenditure. The components of aggregate demand 1.9. Relevant Macroeconomic Identities
UNIT 2. EQUILIBRIUM INCOME	UNIT 2. 2.1. Balance production 2.2. The consumption function 2.2.1. Factors on which consumption depends 2.3. Other formulations of the consumption function 2.4. The saving function 2.5. Investment demand 2.6. The equilibrium income in a simple model 2.7. The equilibrium income in a model with the public sector 2.8. Equilibrium income stability
UNIT 3. THE MULTIPLIER ANALYSIS	UNIT 3 3.1. Effects of a shift of the saving function 3.1.1. Variation of the saving function 3.1.2. Investment variation 3.2. Introduction to the study of multipliers 3.2.1. The dynamic multiplier 3.2.2. The multiplier with fixed taxes 3.3. The balanced budget theorem 3.4. Deduction of multipliers considering taxes based on income 3.4.1. Increasing income taxes 3.4.2. Multiplier of a variation of the tax rate 3.5. The multiplier in an open economy.
UNIT 4. INVESTMENT DEMAND. THE IS CURVE	UNIT 4 4.1. The introduction of the interest rate 4.2. The decision to invest 4.3. Investing as a capital adjustment process 4.4. Equilibrium income and interest rate. The IS curve 4.4.1. The slope of the IS curve 4.4.2. The displacements of the IS curve



TEMA 5. THE MONEY MARKET	<p>UNIT 5</p> <ul style="list-style-type: none"> <li>5.1. The money supply</li> <li>5.2. The demand for money</li> <li>5.3. The balance in the money market</li> <li>5.4. The process of expanding bank money</li> <li>5.5. Balance income and interest rate in the asset market. The LM curve</li> <li>5.6. Points to the left and right of the IS and LM curves</li> <li>5.7 The monetary base <ul style="list-style-type: none"> <li>5.7.1. Relationship between the monetary base and money supply. The monetary multiplier</li> </ul> </li> <li>5.8. The demand for transactional money</li> <li>5.9. Money circulation speed and money demand</li> <li>5.10. Monetary policy and the liquidity trap</li> <li>5.11. Eurosystem interest rates</li> </ul>
UNIT 6. THE AGGREGATE DEMAND CURVE	<p>UNIT 6</p> <ul style="list-style-type: none"> <li>6.1. The aggregate demand curve <ul style="list-style-type: none"> <li>6.1.1. The graphical representation of the aggregate demand curve</li> <li>6.1.2. Shifts in the aggregate demand curve</li> </ul> </li> <li>6.2. Analytical explanation of the aggregate demand curve</li> </ul>
UNIT 7. FISCAL POLICY AND MONETARY POLICY	<p>UNIT 7</p> <ul style="list-style-type: none"> <li>7.1. Introduction</li> <li>7.2. Fiscal policy <ul style="list-style-type: none"> <li>7.2.1. An increase in public spending</li> <li>7.2.2. The multiplier of public spending</li> <li>7.2.3. A change in the tax rate</li> <li>7.2.4. The multiplier of a tax rate change</li> <li>7.2.5. The Balanced Budget Multiplier</li> <li>7.2.6. The effectiveness of fiscal policy</li> </ul> </li> <li>7.3. Monetary policy <ul style="list-style-type: none"> <li>7.3.1. Changes in the money supply</li> <li>7.3.2. The multiplier of money supply changes</li> <li>7.3.3. The effectiveness of monetary policy</li> </ul> </li> <li>7.4. The effectiveness and certainty of fiscal and monetary policies</li> <li>7.5. The interaction of monetary and fiscal policy</li> </ul>
TEMA 8. THE LABOR MARKET AND THE AGGREGATE SUPPLY	<ul style="list-style-type: none"> <li>8.1. The fundamental assumptions of the classical model <ul style="list-style-type: none"> <li>8.1. The differences between the classical model and the Keynesian model</li> </ul> </li> <li>8.2. The production function. Total, average and marginal productivity.</li> <li>8.3. The demand for neoclassical labor.</li> <li>8.4. The neoclassical labor offer</li> <li>8.5. The Complete Classic Model</li> <li>8.6. Aggregate supply in the classical economy. The aggregate supply curve (SA)</li> <li>8.7. Fiscal policy results in the classical model</li> <li>8.8. Results of monetary policy in the neoclassical model</li> <li>8.9. Monetary policy with wealth effect in the classic model.</li> <li>8.10. Supply policies in the classic model</li> </ul>

**Planning**

Methodologies / tests	Competencies / Results	Teaching hours (in-person & virtual)	Student's personal work hours	Total hours
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Guest lecture / keynote speech	A8 A10 A11 A12 B1 B2 C5 C6 C7 C8	17	34	51
Objective test	A7 A8 A10 A11	5	29	34
Problem solving	A4 A6 A7 B3 B4 B5 B9 B10 C1 C4	25	25	50
Personalized attention		15	0	15

(\*)The information in the planning table is for guidance only and does not take into account the heterogeneity of the students.

Methodologies	
Methodologies	Description
Guest lecture / keynote speech	The activities of the course may include master classes, in addition to practical classes. Verbal, mathematical and graphic language will be used to explain the different subjects of the program. All the contents will be evaluated by means of objective tests on the dates established by the Faculty, in the first and the second opportunity, as in the advanced opportunity.
Objective test	The exams will be carried out in the official dates established by the Faculty, in the first and second opportunity, and in the advanced opportunity. The exam worths between 0 and 4 points of the final grade. Its necessary to obtain at least 2 points to pass the test. The exam may consist of a multiple choice test, with only one answer being correct. The incorrect questions will have penalization. Some of the tests may consist of problems, being the evaluation system of these tests the same as that of the other tests. The exam may also contain program development topics and/or problems proposals.
Problem solving	Problems and activities will be proposed to the students. They will be closely related to the topics explained in the master classes. Evaluations of explained topics may be proposed. These evaluations will not be liberating in any case. The scores reached by the students will be included on the 60% assigned to the continuous evaluation.

Personalized attention	
Methodologies	Description
Problem solving Guest lecture / keynote speech Objective test	<p>The Small Group Office hours as well as the individual ones will be preferably virtual.</p> <p>Personalized attention should be understood as continuous work. In this activity the tutorial action in small groups is included, at the rate of 4 hours for each group of 15 students. This activity is included in the 15 hours of personalized attention to the student that is included in section 4: Planning.</p> <p>Students with part-time dedication and academic exemption from attendance: the Moodle platform, Teams and e-mail will be used as the main communication tool for content management, tutoring and the delivery of works. A specific calendar of dates compatible with their dedication will be agreed at the beginning of the course. They will have the same obligation to carry out activities as full-time students.</p>

Assessment			
Methodologies	Competencies / Results	Description	Qualification



Problem solving	A4 A6 A7 B3 B4 B5 B9 B10 C1 C4	The teacher will propose to the students activities that must be developed throughout the course. The teacher will use those activities, such as problem solving and presentation of results, exercises and works, appropriate for following the course. The solution and the exposition of the problems or works in the class, individually or together, and the solutions given to the proposed exercises will be evaluated. The score for these activities is 6 points. These activities can also be evaluated through questionnaires that will be periodically presented to the students. The number of questionnaires in the four-month period will be three. The qualifications obtained in these questionnaires are included in the 60% reserved for class activities. For students who have an academic exemption from class attendance, these questionnaires may be taken on dates and times different from those established for the rest of the students. The scores that they will reach (maximum 6 points) will not under any circumstances be releasing the contents of the program.	60
Objective test	A7 A8 A10 A11	The test will be held on the dates established by the Faculty, corresponding to the final exams, both on the first opportunity and on the second, as well as on the opportunity in December. The maximum grade for this test will be 4 points. To pass the objective test, the student must achieve at least 2 points on the exam. The student will be considered approved in the subject as long as his total grade, sum of the objective test ( at least 2 points) and the continuous evaluation, is 5 or more points. This exam may consist of a multiple choice test with only a correct answer. Some of the tests may consist of obtaining results of problems. Incorrect questions will have penalization.	40

Assessment comments



1.- Evaluation of the second opportunity and the advanced opportunity:

a) Second

opportunity: according to article 18, section 5, of the Standards for Assessment, Review and Claims of Qualifications, the second opportunity must guarantee the possibility of passing the subject by the student, so it is necessary to modify the qualification percentages regarding the first opportunity. Therefore the solution of problems, would suppose 30% of the qualification, and the objective test 70%. In the second opportunity, the grades obtained in the continuous evaluation (with a weighting of 30%) will be kept, the one achieved in the objective test.

b) Advanced

Opportunity: The conditions for evaluating the advanced opportunity (art. 19 of the Standards for Assessment, Review and Claims of Qualifications) will be specific for this opportunity. This will be evaluated through a test that will represent 100% of the final grade.

2.- Minimum requirements in the evaluation criteria: No minimum grade is required in the continuous assessment evaluation. For the objective test it is necessary to obtain 50% of the grade to be able to pass the subject. This requirement applies to both the first and second opportunities. In the whole of the two parts, the student must obtain a minimum score of 5 points to pass the subject, but as long as the objective test reaches a minimum of 50% of the test score.

3.- Conditions for carrying out the final evaluation. It is prohibited to access the exam room with any device that allows communication with the outside and / or storage of information.

4.- The grade of not presented corresponds when the student only participates in the evaluation activities that have a weight lower than 20% of the final grade, regardless of the grade achieved.

## Sources of information

<p><b>Basic</b></p>	<ul style="list-style-type: none"> <li>- PATEIRO RODRÍGUEZ, C., L.A. VEIGA, L. VARELA, F. BRUNA (2014). PRINCIPIOS DE MACROECONOMÍA. . REPROGRAFÍA NOROESTE, S.L.</li> <li>- PATEIRO RODRÍGUEZ, C, M.J. FREIRE, L.A. VEIGA, L. VARELA, F. BRUNA, M. BARREIRO (2015). PRINCIPIOS DE MACROECONOMÍA. LIBRO DE PROBLEMAS, TEST Y EXÁMENES RESUELTOS. REPROGRAFÍA NOROESTE, S.L.</li> <li>- BLANCHARD, O (2017). MACROECONOMÍA. PEARSON</li> <li>- MOCHÓN MORCILLO, F. , DE JUAN (2009). INTRODUCCIÓN A LA MACROECONOMÍA. MCGRAW-HILL</li> <li>- MOCHÓN MORCILLO, F. , DE JUAN (2008). INTRODUCCIÓN A LA MACROECONOMÍA EJERCICIOS. EDESA</li> <li>- DORNBUSCH, R. Y S. FISCHER (VARIAS EDICIONES). MACROECONOMÍA. MCGRAW-HILL</li> </ul>
<p><b>Complementary</b></p>	<ul style="list-style-type: none"> <li>- ESCRIBÁ, F.J. Y OTROS (1995). INTRODUCCIÓN PRÁCTICA A LA ECONOMÍA. MCGRAW HILL</li> <li>- RODRÍGUEZ, J., F. MOCHÓN, Y OTROS (1993). ELEMENTOS Y CUESTIONES DE T. ECONÓMICA. UNED</li> <li>- MOCHÓN, F. Y VICTOR ALBERTO BEKER (2008). ECONOMÍA, PRINCIPIOS Y APLICACIONES. MC-GRAW HILL</li> <li>- MOCHÓN, F. Y J. DÍAZ DE, REBECA (2010). INTRODUCCIÓN A LA MACROECONOMÍA. EJERCICIOS. EDICIONES ACADÉMICAS</li> <li>- KRUGMAN, P. WELLS, R. y K. GRADY (2015). FUNDAMENTOS DE ECONOMÍA . REVERTE</li> <li>- JONES, CHARLES, I. (2009). MACROECONOMÍA. ANTONI BOSCH</li> </ul>



Recommendations
Subjects that it is recommended to have taken before
Subjects that are recommended to be taken simultaneously
Subjects that continue the syllabus
Other comments
Continuous monitoring of the subject is recommended to the student. Attendance at master classes and problem solving activities is advised. The student is advised to solve any doubts that may arise, either in the classroom or in the individual office hours.
(*The teaching guide is the document in which the URV publishes the information about all its courses. It is a public document and cannot be modified. Only in exceptional cases can it be revised by the competent agent or duly revised so that it is in line with current legislation.