**Course Descriptor**

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| Title of the course | **Macroeconomics I** |
| Title of the Academic Programme  | Masters in Economics (1st year), Masters in Finance (1st year) |
| Type of the course  | Mandatory; available to foreign students |
| Prerequisites | Mathematics for Economists, undergraduate-level Macroeconomics |
| ECTS workload | 6 |
| Total indicative study hours | Directed Study | Self-directed study  | Total |
| 52 | 176 | 228 |
| Course Overview | Macroeconomics is the study of *economic growth* and *business cycles*. It aims to explain observed aggregate time series for economic variables like GDP, consumption, investment, prices and wages, and the rate of unemployment. In this course we will concentrate on the study of business cycles, or economic phenomena in the short run. Study of economic growth is mostly relegated to the Macroeconomics II course.In the short run an economy experiences nominal rigidities (sticky prices and wages) and expectational errors (prices that are different from what was expected). Rigidities and expectations make *nominal* aggregate demand, which could fluctuate because of some shock, affect *real* economic activity such as output and unemployment. Therefore, it is necessary to engage in *aggregate demand management* in order to *stabilize* the economy. We will study such *stabilization policies* (mostly *fiscal* and *monetary*) and the most efficient ways of performing them. The global financial and economic crisis of 2008–2011 and slow recovery from it is a topic that will concern us throughout the course. We will attempt to look at it from a macroeconomist’s point of view and evaluate different economic policies enacted around the world. We will dive into the world of macroeconomic data and the economic blogosphere, which debates current events. |
| Intended Learning Outcomes (ILO) | Understand the main mechanisms operating in the economyKnow the basic building blocks of short-run macroeconomic theoryBe able to describe the process of the economy’s adjustment towards equilibrium after a shockHave an understanding of the monetary policy conducted under Taylor RuleBe able to derive consumption and investment functions in simple settings, as well as understand the concept of the optimal monetary policyUnderstand the need for stabilization policy, and the methods it is conducted by the government (fiscal policy) and the Central Bank (monetary policy) |
| Teaching and Learning Methods | The course consists of lectures (24 hours) and tutorials (28 hours). The tutorials involve solving problems and discussing real-time macroeconomic issues using terms and concepts studied in class. |
| Content and Structure of the Course |
| **№** | **Topic / Course Chapter** |
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| 1 | What is macroeconomics? Macro for short and long run. |
| 2 | Business cycles facts. |
| 3 | Short run model of the economy: building blocks. |
| 4 | Short run model of the economy and policy: closed economy.  |
| 5 | Short run model of the economy and policy: open economy.  |
| Indicative Assessment Methods and Strategy  | Students’ progress will be measured by [1] in-class tests (30% of the final grade), [2] class participation (10%), and [3] 90-minute written final exam (60%). Items [1] and [2] are components of cumulative grade which has weight 0.4 in the final grade. |
| Readings / Indicative Learning Resources | Mandatory Homburg S. *A Study in Monetary Macroeconomics*. Corby: OUP Oxford; 2017.  <http://proxylibrary.hse.ru:2101/view/10.1093/oso/9780198807537.001.0001/oso-9780198807537>Barwell R. *Macroeconomic Policy After the Crash : Issues in Microprudential and Macroprudential Policy*. Cham: Palgrave Macmillan; 2017[https://proxylibrary.hse.ru:2176/book/10.1007%2F978-3-319-40463-9](https://proxylibrary.hse.ru:2176/book/10.1007/978-3-319-40463-9)Additional papers will be distributed in class for in-class presentations and discussions |
| Academic Support for the Course | Academic support for the course is provided via LMS, where students can find: guidelines and recommendations for doing the course; guidelines and recommendations for self-study; samples of assessment materials |
| Facilities, Equipment and Software | (If required) |
| Course Instructor | Sergey Slobodyan, Victoria Zezerova |