

Macroeconomics I

Module 2, academic year 2017-2018

Maria Dubovskaya
mdubovskaya@nes.ru

Course description

The goal of this course is to introduce basic macroeconomics concepts which are necessary for understanding country's economic situation as a whole and helpful for taking decisions on the financial markets.

We will start with the system of national accounts, main macroeconomic variables (unemployment, inflation, exchange rate etc.) and driving forces of economic growth. Then the course moves to the open economy by providing necessary theoretical background and macroeconomic policy implication. Finally it concentrates on monetary policy in developed and developing countries.

Course requirements, grading, and attendance policies

There will be four home assignments (40% of the course grade), two case studies (20% of the final grade (10% each)) and final exam (40% of the course grade).

Course contents

1. Introduction and national income accounting
Mankiw, Ch. 1-3.
2. Economic growth: the Solow model and beyond
Mankiw, Ch. 7.1, 8.1-8.3
3. Money market and inflation
Mankiw, Ch. 4, 18.1, Mishkin and Eakins, Ch. 4
4. The open economy: exchange rates, trade, and capital flows. AA-DD model
Mankiw, Ch. 5, Saylor, Ch. 9
5. Economy in the short run (AA-DD): examples
Saylor, Ch. 10-11, Mankiw, Ch. 9
6. Macroeconomic policy in developed countries
Mankiw, Ch. 14, Mishkin and Eakins Ch. 5, 8
7. Macroeconomic policy in developing countries. Inflation, stabilization and financial crises
Mishkin and Eakins, Ch. 14

Course materials

Required textbooks and materials

Primary textbooks for the course:

- Mankiw, N. Gregory *Macroeconomics*, 8th edition, Worth Publishers 2012

Additional materials

Some topics need to be addressed to the following textbooks:

- Mishkin, Frederic S. and Eakins, Stanley G. *Financial Markets and Institutions*, 5th edition, Pearson 2006
- Saylor, *International Finance: Theory and Policy* It's an open access textbook that can be obtained using the link below
<https://www.saylor.org/site/textbooks/International%20Finance%20-%20Theory%20and%20Policy.pdf>

More reading materials will be provided by the course instructor when necessary.

Academic integrity policy

Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.