



# UNIVERSITY OF PIRAEUS

FACULTY/SCHOOL	School of Economics, Business and International Studies		
DEPARTMENT	Department of Economics		
LEVEL OF STUDY	Undergraduate		
COURSE UNIT CODE	OKOIK23	SEMESTER	3 <sup>rd</sup>
COURSE TITLE	MACROECONOMICS 1		
WEEKLY TEACHNG HOURS	4	CREDITS (ECTS)	6
COURSE TYPE	General Knowledge		
PREREQUISITE COURSES	-		
INSTRUCTION LANGUAGE	Greek	ASSESSMENT LANGUAGE	Greek
OPEN TO ERASMUS	Yes		

LEARNING OUTCOMES	<p>The course covers the theory of modern macroeconomics in detail. It builds upon the foundations that were established in the macro-principles course. The topics will be familiar: GDP, money supply, interest rates, unemployment rate, exchange rates, among other, but the analysis undertaken will be more rigorous and sophisticated. During this course, we will discuss several examples of macroeconomic phenomena in the real world. We will focus on the determination of macroeconomic variables in the short, medium, and long run and we will address a number of policy issues. A central theme will be understanding the power and limitations of macroeconomic policy in stabilizing the business cycle and promoting growth.</p>
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GENERAL COMPETENCES	<ul style="list-style-type: none"> <li>- Group/Team work</li> <li>- Critical thinking</li> <li>- Development of free, creative and inductive thinking</li> </ul> <p>By the end of the semester, you should be able to:</p> <ul style="list-style-type: none"> <li>• Develop the ability to “think macro”;</li> <li>• Summarize the major macroeconomic theories developed to explain the relationships among macroeconomic variables such as GDP, unemployment rate, inflation rate, interest rates, government budget deficit, money supply, and the exchange rate;</li> <li>• Conduct your own analyses of the likely effects of specific macroeconomic disturbances or government policy actions;</li> <li>• Watch the macroeconomic news in the media with both greater interest and greater understanding, and critically evaluate articles on macroeconomics appearing in the popular press.</li> </ul>
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COURSE CONTENT	<ul style="list-style-type: none"> <li>• National Accounts</li> <li>• The Goods and Services Market</li> <li>• The Money Market</li> <li>• The IS-LM Model</li> <li>• The Labor Market</li> <li>• The AS-AD model</li> <li>• Macroeconomic Polices</li> </ul>
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USE OF ICT IN TEACHING	e-class notes
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COURSE DESIGN	Activity/Method	Semester workload
	Lectures	125
	Study and analysis of term-projects	23
	Exam	2
	Total	150

COURSE ASSESSMENT	Language of evaluation is Greek and English (if it is requested). Methods of evaluations are term-projects and final exam.
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SUGGESTED BIBLIOGRAPHY	<p><b>MAIN TEXTBOOK:</b></p> <p>Blanchard, Olivier. Macroeconomics, 3rd Edition. Upper Saddle River, NJ: Prentice-Hall, 2002.</p> <p><b>SOME SUPPLEMENTARY BOOKS &amp; MATERIAL (optional):</b></p> <p>We rely primarily upon the Blanchard text in class; however, students should be aware that there are many different macroeconomics texts on the market. You are encouraged to consult these texts – many are available in the library – and to dwell upon the differences. In many cases and depending on the class needs, the reading may be supplemented by various excellent books:</p> <p><b>At Intermediate level:</b></p>
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Farmer, Roger E.A. *Macroeconomics*, 2nd edition, South-Western, 2002.

Mankiw, Gregory. *Macroeconomics*, 5th edition, Worth Publishers, 2003.

Dornbusch, R., S. Fischer and R. Startz. *Macroeconomics*, 9th edition, McGraw-Hill, New York, 2004.

Barro, R. and Grilli, V. *European Macroeconomics*. Macmillan Press Ltd, 1994.

Jacques, Pelkmans. *European Integration. Methods and Economic Analysis* 2nd edition, Harlow: Pearson Education, 2001.

**At Graduate level:**

Blanchard, Olivier Jean and Fischer, Stanley. *Lectures on Macroeconomics*. Cambridge, MA: The MIT Press, 1989. (A good graduate level macroeconomics textbook).

Romer, David. *Advanced Macroeconomics*. New York, NY: McGraw-Hill, Inc., 1996. (The standard graduate level textbook. Very good. Interesting. New Keynesian orientation).

Farmer, Roger E.A. *Macroeconomics of Self-Fulfilling Prophecies*, 2nd edition. The MIT Press, 1999.

Sargent, Thomas J. *Macroeconomic Theory*, Second Edition. Boston, MA: Academic Press, Inc., 1987. (The old static graduate level text. Tough, mathematical. New classical orientation).

Sargent, Thomas J. *Dynamic Macroeconomic Theory*. Cambridge, MA: Harvard University Press, 1987. (The old dynamic graduate level text. Tough, very mathematical. New classical orientation).

Barro, R. and Sala-i-Martin, X. *Economic Growth*. New York/London: McGraw-Hill, 1995.

**Math Books:**

Chiang, Alpha C. *Fundamental Methods of Mathematical Economics*, Third Edition. New York, NY: McGraw-Hill, 1984.

Michael Hoy, John Livernois, Chris Mc Kenna, Ray Rees, and Thanasis Stengos, *Mathematics for Economists*, 2nd edition. The MIT Press, 2001.

**Further...**

Students can also follow current economic events by reading newspapers (Financial Times, The New York Times, The Wall Street Journal, The Washington Post) and magazines (Business Week, The Economist, Fortune).

**COURSE'S WEEKLY PLANNER**

WEEK	LECTURES	MATERIAL
1	Lecture 1 National Accounts	O. Blanchard Ch. 2
2	Lecture 1 (cond.) National Accounts	O. Blanchard Ch. 2
3	Lecture 2 The Goods and Services Market	O. Blanchard Ch. 3
4	Lecture 2 (cond.) The Goods and Services Market	O. Blanchard Ch. 3
5	Lecture 3 The Money Market	O. Blanchard Ch. 4
6	Lecture 3 (cond.) The Money Market	O. Blanchard Ch. 4
7	Lecture 4 The IS-LM Model	O. Blanchard Ch. 5
8	Lecture 4 (cond.) The IS-LM Model	O. Blanchard Ch. 5
9	Lecture 5 The Labor Market	O. Blanchard Ch. 6
10	Lecture 5 (cond.) The Labor Market	O. Blanchard Ch. 6
11	Lecture 6 The AS-AD Model	O. Blanchard Ch. 7
12	Lecture 6 (cond.) The AS-AD Model	O. Blanchard Ch. 7
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