COURSE DESCRIPTION

ECONOMIC THEORY II
1\textsuperscript{TH} YEAR | 2\textsuperscript{ND} SEMESTER
DEGREE: MARKETING AND SALES MANAGEMENT
IN-CLASS TEACHING
ACADEMIC YEAR: 2019/2020
SCHOOL OF BUSINESS AND ECONOMICS
# 1. COURSE IDENTIFICATION

1. **COURSE:**

Name: Economic Theory II  
Code: c107  
Year (s) course is taught: 1  
Semester (s) when the course is taught: 2  
Type: Compulsory  
ECTS: 6  
Hours ECTS: 30  
Language: English and Spanish  
In-class teaching  
Degree (s) in which the course is taught: Marketing  
School of Business and Economics

## 2. ORGANIZATION OF THE COURSE:

Department: Economics  
Area of knowledge: Foundations of Economic Analysis

## 2. LECTURERS OF THE COURSE

### 1.-LECTURERS:

<table>
<thead>
<tr>
<th>Instructor in charge</th>
<th>CONTACT DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Ana Cristina Mingorance Arnáiz</td>
</tr>
<tr>
<td>Phone (ext):</td>
<td>91-514-04-40 (ext 15362)</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:mingor.fcee@ceu.es">mingor.fcee@ceu.es</a></td>
</tr>
<tr>
<td>Office:</td>
<td>1.21 B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lecturer (s)</th>
<th>CONTACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Rafael Pampillón Olmedo</td>
</tr>
<tr>
<td>Phone (ext):</td>
<td>91-514-04-40 (ext 15424)</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:pamolm@ceu.es">pamolm@ceu.es</a></td>
</tr>
<tr>
<td>Office:</td>
<td>0.10 B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lecturer (s)</th>
<th>CONTACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Martha Carro Fernández</td>
</tr>
<tr>
<td>Phone (ext):</td>
<td>91-514-04-40 (ext 15479)</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:carfer.fcee@ceu.es">carfer.fcee@ceu.es</a></td>
</tr>
<tr>
<td>Office:</td>
<td>1.19 B</td>
</tr>
</tbody>
</table>
Lecturer (s) | CONTACT
---|---
Name: Miguel Marín Cózar
Phone (ext): 91-514-04-40 (ext 15411)
Email: miguel.marincozar@ceu.es
Office: 1.22 B

Lecturer (s) | CONTACT
---|---
Name: Ángel Algarra Paredes
Phone (ext): 91-514-04-40 (ext 15387)
Email: algarrap@ceu.es
Office: 1.10 B

Lecturer (s) | CONTACT
---|---
Name: Antonio Miguel Carmona Sancipriano
Phone (ext): 91-514-04-40 (15313)
Email: carsan@ceu.es
Office: 1.23 B

Lecturer (s) | CONTACT
---|---
Name: Leo Dolan
Phone (ext): 91-514-04-40 (ext 15416)
Email: leo.dolan@ceu.es
Office: 1.24 B

Lecturer (s) | CONTACT
---|---
Name: Juan Ignacio Cáceres Ruíz
Phone (ext): 91-514-04-40 (ext 5663)
Email: cacrui@ceu.es
Office: 1.26 B

Lecturer (s) | CONTACT
---|---
Name: Kamal Romero Sookoo
Phone (ext): 91-514-04-40 (ext 15669)
Email: kamal.romerosookoo@ceu.es
Office: 1.22 B

2.- TUTORIALS:

For any queries students can contact lecturers by e-mail, phone or visiting their office during the teacher’s tutorial times published on the students’ Virtual Campus.
### 3. Course Description

Economic Theory II introduces students to macroeconomics. The subject provides an overall analysis of the main economic issues and problems. It also provides the students with the proper tools to measure such macroeconomic issues. Finally, the subject includes the relations between macroeconomic variables using the support of diagram and sequential analysis.

In this regard, students can interpret, at an introductory level, the economic information of a given country, quantify the magnitude of specific economic problems and identify the need to address such problems.

The subject is developed for a first-year course as the basis for further and deeper analyses in subsequent years about the functioning of economic systems. The ulterior goal is to interpret the economic environment so as to undertake business management decisions.

### 4. Skills

#### 1.- Skills

<table>
<thead>
<tr>
<th>Code</th>
<th>Basic and General Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>BS2</td>
<td>Students should know how to apply their knowledge to their work or vocation in a professional manner and should have the skills that are usually demonstrated by compiling and defending arguments and resolving problems within their area of study.</td>
</tr>
<tr>
<td>BS3</td>
<td>Students should have the capacity to collect and interpret relevant data (usually within their area of study) to form opinions based on reflection on relevant topics of a social, scientific or ethical nature.</td>
</tr>
<tr>
<td>BS4</td>
<td>Students should be capable of communicating information, ideas, problems and solutions to both a specialist and non-specialist audience.</td>
</tr>
<tr>
<td>GS1</td>
<td>Capacity for analytical and critical thinking and its oral and written communication</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Specific Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>SS1</td>
<td>Knowledge and capacity to interpret and use fundamental economic concepts (Economic Theory), context and institutional factors (Economic Structure and History) and tools (mathematics) in making business decisions.</td>
</tr>
</tbody>
</table>

#### 2.- Learning Outcomes:

<table>
<thead>
<tr>
<th>Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students must identify the main macroeconomic issues and the variables available for their measurement.</td>
</tr>
<tr>
<td>Students must be able to interpret basic economic information at the country level. They must also be able to assess the relevance of a given macroeconomic issue, as well as the need to correct it.</td>
</tr>
<tr>
<td>Students must be able to understand the basic functioning of a given economy and the relations between economic agents as well as sectors.</td>
</tr>
</tbody>
</table>
5. EDUCATIONAL ACTIVITIES

1.- DISTRIBUTION OF STUDENTS` ASSIGNMENT:

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>On-campus hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>AF1</td>
<td>Lecture</td>
<td>0</td>
</tr>
<tr>
<td>AF2</td>
<td>Seminar</td>
<td>45</td>
</tr>
<tr>
<td>AF4</td>
<td>Individual Practices</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL Hours</td>
<td></td>
<td>60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>Not on-campus hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>AF0</td>
<td>Independent Work</td>
<td>120</td>
</tr>
</tbody>
</table>

2.- EDUCATIONAL ACTIVITIES:

<table>
<thead>
<tr>
<th>Educational Activity</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminar (EA2)</td>
<td>Educational activity focused especially on the competence of the students to develop the learning skills enabling them to assimilate content acquired beforehand, while relating economic concepts and those of similar and/or auxiliary disciplines and different theoretical and methodological approaches. Students study each subject in depth to a large extent independently. This educational activity is also centered on encouraging students to acquire the skills necessary to communicate their conclusions – and the understanding and underlying reasons supporting them – to both the specialist and non-specialist public clearly and unequivocally. Priority is given to the participation of students and their sharing of the reasoned interpretation of knowledge and the sources of their fields of study, all of which is coordinated by the professor.</td>
</tr>
<tr>
<td>Practical Workshop (EA3)</td>
<td>Educational activity focused especially on the competence of the students to use specific methodologies for resolving problems of a practical nature encountered by economists in their most applied aspects and/or the information technology tools relevant to each subject. Priority is placed on students undertaking practical activities focused on data manipulation and selection of quantitative and/or qualitative information for purposes of extracting/drawing relevant conclusions.</td>
</tr>
<tr>
<td>Individual Practices (EA4)</td>
<td>Educational activity focused especially on the competence of the students to collect, manipulate and process relevant data and variables for economic, statistical, financial, accounting and tax analyses. Priority is placed on students undertaking activities that involve the application of theoretical and/or technical knowledge acquired, which may be done individually or in a group, depending on the subject and the skills to be acquired.</td>
</tr>
<tr>
<td>Independent Work (EA0)</td>
<td>Educational activity whereby students independently manage their own learning by the study of the course material.</td>
</tr>
</tbody>
</table>

Total hours of the course 180
6. ASSESSMENT OF LEARNING

1.- CLASS ATTENDANCE:

- In order to be eligible for examination by continuous assessment students must attend at least 75% of scheduled class time (attendance sheets will be used). As students may be absent 25% of the classes, no attenuating circumstances will be accepted for absences.
- Those students, who, due to reasonably justified reasons, cannot attend classes in the above-mentioned percentage, must notify it to the Teaching Unit at the beginning of the semester. The Teaching Unit will provide the student a corresponding course plan adapted to the specific circumstances. The delay in or absence of communication from the student will cause the application of the ordinary evaluation criteria to him.

2.- ASSESSMENT SYSTEM AND CRITERIA:

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS2</td>
<td>Written multiple-choice or objective test examination</td>
<td>15%</td>
</tr>
<tr>
<td>AS3</td>
<td>Written examination on reasoning questions</td>
<td>60%</td>
</tr>
<tr>
<td>AS9</td>
<td>Submission of exercises</td>
<td>25%</td>
</tr>
</tbody>
</table>

ORDINARY EVALUATION. CONTINUAL EVALUATION:

This subject is graded under a continual evaluation system that includes the following items:

1. **Applied knowledge Test I**: The goal of this test is to assess the students’ ability to understand the basic concepts included in the subject. The weight of this test is 2.5 points and includes the following: multiple choice section (20%), reasoning questions and problems (80%).

2. **Applied exercises and case studies** assigned. These exercises are aimed to evaluate the analytical and reasoning capacity of the students. In some of them, the material seen in the seminar will be available to the student and it may consist of true or false questions, multiple choice tests, short answer questions, questions that include numerical calculation, etc. The exercises and cases could be provided through Kahoots, Google Forms or Virtual Campus. In other cases, the activities will have an individual character and will consist of questions about the economic news, analysis of economic data and / or valuation of economic texts. This item weights 2 points.

3. **Active participation in the classroom**: The correction of exercises during the workshops could weight up to 0.5 points. These exercises aim to review the concepts explained during the seminars.

4. **Final exam**: This exam includes all the concepts and exercises studied during the semester. This item weights 5 points and includes the following: multiple choice section (20%) and reasoning questions and problems (80%).

In order to pass the subject under the continual evaluation system students must:

1. Attend at least 75% of the lectures
2. Obtain, at least, 5 points
EXTRAORDINARY EVALUATION

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS2</td>
<td>Written multiple-choice or objective test examination</td>
<td>20%</td>
</tr>
<tr>
<td>AS3</td>
<td>Written examination on reasoning questions</td>
<td>80%</td>
</tr>
<tr>
<td>AS9</td>
<td>Exercises or Practical assignments</td>
<td>0%</td>
</tr>
</tbody>
</table>

The final extraordinary exam will include a multiple choice section, reasoning questions and problems. Reasoning questions and problems weight 80% while the multiple choice weights 20%. To pass the subject, student must obtain a minimum grade of 5 points.

7. COURSE SYLLABUS

1.- COURSE SYLLABUS:

THEORETICAL:

INTRODUCTION

Chapter 1. Introduction to Macroeconomics
  1.1. What is Macroeconomics?
  1.2. Introduction to the main macroeconomic problems today
  1.3. Main tools for the macroeconomic analysis
  1.4. Macroeconomics and economic policy

ANALYZING MACROECONOMIC DATA AND TRENDS

Chapter 2: Measuring Economic Activity: The GDP
  2.1. GDP and its components (production, income and expenditure)
  2.2. GDP Components: Keynesian relations
  2.3. Nominal and real GDP

Chapter 3: Economic Growth
  3.1. The production possibilities frontier
  3.2. Potential GDP and its determination
  3.3. GDP growth versus economic growth
  3.4. Differences between real and potential GDP: The business cycle

Chapter 4: The labor market
  4.1. Introduction to unemployment: Types of unemployment
  4.2. Measuring unemployment: concept and indicators
  4.3. The natural rate of unemployment

Chapter 5: The Price Level
  5.1. The role of price level in macroeconomics: inflation and deflation
  5.2. Measuring changes in the price level: indicators, calculation and interpretation of results
  5.3. Macroeconomic variables adjustment to inflation: nominal and real variables in macroeconomics
  5.4. Other indicators of price variation in an economy

THE ROLE OF MONEY

Chapter 6. Money and the Financial System
6.1. Introduction to the financial system: financial markets and intermediaries
6.2. Concept of money and monetary aggregates
6.3. Money market equilibrium
6.4. Creation of money by commercial banks.

OPEN MACROECONOMICS

Chapter 7: Introduction to international trade and finance

7.1. Introduction to open macroeconomics
7.2. Justification of trade between countries: a microeconomic approach
7.3. Commercial barriers: a microeconomic approximation
7.4. Balance of Payment: definition and structure
7.5. The exchange rate: types, fluctuations and real exchange rate

PRACTICAL:

The nature of this subject is both theoretical and practical. As the students familiarize themselves with the theoretical concepts, the professor will introduce case studies and practical activities, individual or in groups, that will complement the theoretical training and will bring the student closer to economic reality. These practical activities could consist on the management of databases and the analysis and interpretation of economic variables, economic readings about topics studied in the subject program, and questions and debates about economic news

8. BIBLIOGRAPHY

1.- BASIC BIBLIOGRAPHY:


2.- ADDITIONAL BIBLIOGRAPHY:


3.- WEB RESOURCES:

As this is the first year course, the former bibliographic resources mentioned are extremely important. Some Data Sources on the behavior of different economic variables are, among others:

- Eurostat: http://europa.eu.int/comm/eurostat/
- European Central Bank: www.ecb.int
- Bank of Spain: www.bde.es
- Instituto Nacional de Estadística: www.ine.es
- International Monetary Fund: www.imf.org
- OECD: www.oecd.org
9. ATTITUDE IN THE CLASSROOM

1.- REGULATIONS

Students must behave properly and according to the School and University regulations in place. Besides on-time class attendance, students must show a proper participative attitude in the classroom and comply with required assignments. Any irregular act of academic integrity, including signing the attendance sheet for fellow students not present in class, will result in the student not being eligible for continuous assessment and possibly being penalized according to the University regulations.

Attempts to cheat and/or plagiarize are considered as a severe offence against University regulations. Such offences are subject to sanctions according to the University's Student Regulations adopted on December 17th, 1997.

With the exception of cases of force majeure, once the assessment calendar is published on due time, assessment activities cannot be repeated.