

COURSE OUTLINE: MACROECONOMIC ANALYSIS III

GENERAL

SCHOOL	ECONOMICS AND BUSINESS		
ACADEMIC UNIT	ECONOMICS		
LEVEL OF STUDIES	UNDERGRADUATE		
COURSE CODE	OA303	SEMESTER	4th
COURSE TITLE	MACROECONOMIC ANALYSIS III		
INSTRUCTOR(S)	Asst. Professor A. Anagnostou		
INDEPENDENT TEACHING ACTIVITIES <i>if credits are awarded for separate components of the course, e.g. lectures, laboratory exercises, etc. If the credits are awarded for the whole of the course, give the weekly teaching hours and the total credits</i>		WEEKLY TEACHING HOURS	CREDITS
		3	6
<i>Add rows if necessary. The organisation of teaching and the teaching methods used are described in detail at (d).</i>			
COURSE TYPE <i>general background, special background, specialized general knowledge, skills development</i>	Economic Analysis		
PREREQUISITE COURSES:	YES Macro I and Makro II		
LANGUAGE OF INSTRUCTION and EXAMINATIONS:	Greek		
IS THE COURSE OFFERED TO ERASMUS STUDENTS	YES		
COURSE WEBSITE (URL)	https://www.econ.uth.gr/		

LEARNING OUTCOMES

Learning outcomes <i>The course learning outcomes, specific knowledge, skills and competences of an appropriate level, which the students will acquire with the successful completion of the course are described.</i> <i>Consult Appendix A</i> • <i>Description of the level of learning outcomes for each qualifications cycle, according to the Qualifications Framework of the European Higher Education Area</i> • <i>Descriptors for Levels 6, 7 & 8 of the European Qualifications Framework for Lifelong Learning and Appendix B</i> • <i>Guidelines for writing Learning Outcomes</i>
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Upon successful completion of the course, students will be able to:

1. analyze dynamic macroeconomic models;
2. interpret the role of expectations and credibility in policymaking;
3. evaluate the effects of monetary and fiscal measures;
4. compare alternative approaches to growth and business cycles;
5. prepare an evidence-based economic policy brief.

General Competences

Taking into consideration the general competences that the degree-holder must acquire (as these appear in the Diploma Supplement and appear below), at which of the following does the course aim?

<i>Search for, analysis and synthesis of data and information, with the use of the necessary technology</i>	<i>Project planning and management</i>
<i>Adapting to new situations</i>	<i>Respect for difference and multiculturalism</i>
<i>Decision-making</i>	<i>Respect for the natural environment</i>
<i>Working independently</i>	<i>Showing social, professional and ethical responsibility and</i>
<i>Team work</i>	<i>sensitivity to gender issues</i>
<i>Working in an international environment</i>	<i>Criticism and self-criticism</i>
<i>Working in an interdisciplinary environment</i>	<i>Production of free, creative and inductive thinking</i>
<i>Production of new research ideas</i>	<i>.....</i>
	<i>Others...</i>
	<i>.....</i>

Macroeconomic Analysis III – Course Overview

This course presents and analyzes in-depth and at an advanced level key issues at the center of modern macroeconomic debate regarding the effectiveness of economic (fiscal or monetary) policy conducted by the central government.

The course provides a detailed presentation of the **Neoclassical and Keynesian approaches**, extensively comparing the **Classical model** with **Keynesian theories of economic fluctuations**, emphasizing **New Keynesian theories of wage rigidity**.

A thorough presentation of **expectations formation in an economy** is included, covering **static, adaptive, and rational expectations**, along with a detailed analysis of **Lucas' critique**.

The course also focuses on **wealth effects, deficit financing of the state budget, and Ricardian Equivalence**.

An **advanced-level analysis of the open economy** follows, concluding with the **modern Neoclassical theory of fluctuations**, which emphasizes **real business cycles (RBC) in an economy**.

Learning Outcomes

Upon successful completion of the course, students will be able to:

- Understand the **Classical model** and its key differences from **Keynesian theories of economic fluctuations**.
- Study **New Keynesian theories of wage rigidity**.
- Comprehend how **expectations are formed in an economy** (static, adaptive, rational) and analyze **Lucas' critique**.

- Understand **wealth effects, budget deficit financing, and Ricardian Equivalence.**
- Analyze the **functioning of an open economy.**
- Grasp **Neoclassical fluctuation theory** and the **real business cycles of an economy.**

SYLLABUS

Course description

The course provides advanced study of modern macroeconomic theory and economic policymaking. It examines growth dynamics, business cycles, unemployment, inflation, fiscal and monetary policy, as well as the challenges faced by open economies and monetary unions.

Course aims and objectives

- Develop an advanced understanding of modern macroeconomic models and policy-transmission mechanisms.
- Analyze interactions among expectations, institutions, and economic policy.
- Evaluate fiscal and monetary interventions under different macroeconomic conditions.
- Connect theory, empirical evidence, and real-world policy decisions.

Weekly course content

1. Review and integration of core macroeconomic models
2. Intertemporal choice, consumption, saving, and investment
3. Economic growth models: Solow and endogenous growth
4. Real business cycles and productivity shocks
5. The New Keynesian model: price and wage rigidities
6. Expectations, credibility, and policy time inconsistency
7. Monetary policy, interest-rate rules, and central banks
8. Inflation, unemployment, and the modern Phillips curve
9. Fiscal policy, multipliers, and debt sustainability
10. Financial frictions, banking, and macroeconomic instability
11. Open-economy macroeconomics, exchange rates, and international transmission
12. Monetary unions and Eurozone economic governance
13. Crises, the climate transition, and contemporary macroeconomic policy challenges

TEACHING and LEARNING METHODS - EVALUATION

DELIVERY	
<i>Face-to-face, Distance learning, etc.</i>	Face-to-face

USE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY <i>Use of ICT in teaching, laboratory education, communication with students</i>	• Use of the e-class electronic platform for posting (a) lecture materials, (b) announcements, (c) exercises, case studies, and relevant articles. • Use of electronic media for lecture presentations (PowerPoint).												
TEACHING METHODS <i>The manner and methods of teaching are described in detail. Lectures, seminars, laboratory practice, fieldwork, study and analysis of bibliography, tutorials, placements, clinical practice, art workshop, interactive teaching, educational visits, project, essay writing, artistic creativity, etc. The student's study hours for each learning activity are given as well as the hours of non-directed study according to the principles of the ECTS</i>	<table border="1" data-bbox="646 539 1308 898"> <thead> <tr> <th><i>Activity</i></th><th><i>Semester workload</i></th></tr> </thead> <tbody> <tr> <td>Lectures</td><td>39</td></tr> <tr> <td>Study and analysis of bibliography</td><td>133</td></tr> <tr> <td>Midterm</td><td>4</td></tr> <tr> <td>Exams</td><td>4</td></tr> <tr> <td>Course total</td><td>180</td></tr> </tbody> </table>	<i>Activity</i>	<i>Semester workload</i>	Lectures	39	Study and analysis of bibliography	133	Midterm	4	Exams	4	Course total	180
<i>Activity</i>	<i>Semester workload</i>												
Lectures	39												
Study and analysis of bibliography	133												
Midterm	4												
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Course total	180												
STUDENT PERFORMANCE EVALUATION <i>Description of the evaluation procedure</i> <i>Language of evaluation, methods of evaluation, summative or conclusive, multiple choice questionnaires, short-answer questions, open-ended questions, problem solving, written work, essay/report, oral examination, public presentation, laboratory work, clinical examination of patient, art interpretation, other. Specifically-defined evaluation criteria are given, and if and where they are accessible to students.</i>	The final grade will be determined as follows: • Problem sets and participation: 20% • Midterm examination: 25% • Economic policy brief: 20% • Final examination: 35% ERASMUS students follow the same examination methods but are taught and examined in English.												

ATTACHED BIBLIOGRAPHY

Main Textbooks:

1. **Book [102071571]: Macroeconomics: A Multifaceted Approach** – Colander David C. (Author), Giotopoulos Ioannis, Konstantinou Panagiotis (Editors).

2. **Book [11654]:** *Macroeconomics* – Scarth William.
3. **Book [12464776]:** *Macroeconomic Theory and Economic Policy Application* – Rudolf Peto.

Additional Bibliography:

There are, of course, many other macroeconomics textbooks that you can consult and borrow from the library.

4. **Romer, D.** (2006). *Advanced Macroeconomics*, Typothito Publications, Athens.
5. **Sidiropoulos, Moisis.** *Macroeconomic Analysis: Theory, Exercises, Applications*, Zygos Publications – Ioannis Markou & Son O.E, 2011.
6. **G. Dimopoulou.** *Macroeconomic Theory*, Vol. I, Athens, 1998.
7. **G. Dimopoulou & G. Samaras.** *Exercises in Macroeconomic Theory*, Athens, 2002.
8. **Th. Lianos & Th. Benos.** *Macroeconomic Theory and Policy*, Benos Publications, Athens.
9. **L. Katseli & Ch. Magoula.** *Macroeconomic Analysis and the Greek Economy*, Typothito, 2002.
10. **Romer, D.** *Advanced Macroeconomics*.
11. **Blanchard, O.** *Macroeconomics*.
12. **Carlin, W. & Soskice, D.** *Macroeconomics: Institutions, Instability, and the Financial System*.
13. **Galí, J.** *Monetary Policy, Inflation, and the Business Cycle*.