

ADVANCED MACROECONOMICS

Course code	<i>GRAE011</i>
Course title	<i>Advanced macroeconomics</i>
Type of course	<i>Compulsory</i>
Level of course	<i>Advanced</i>
Department in charge	<i>Graduate school</i>
Year of study	<i>1st</i>
Semester	<i>2nd</i>
Number of credits	<i>6 ECTS; 36 hours of class work, 124 hours of self-study, 2 hours of consultations (distant or direct form)</i>
Lecturer	<i>Assoc. Prof. Dr. Nerijus Mačiulis</i>
Course prerequisites	<i>Macroeconomics</i>
Form of studies	<i>Consecutive (evening)</i>
Teaching language	<i>English</i>

Objective of the course

This is applied course in macroeconomics, which focuses on contemporary issues and developments in global economy. The main aim of this course is to learn how to identify and analyse myriad factors affecting economic activity in both short and long term. Another important dimension of this course is the analysis of the reflexive relationship between macroeconomic developments, economic policy (both fiscal and monetary) and financial markets (asset prices).

Learning outcomes

On completion of this course successful students will be able to:

Course learning outcomes (CLO)	Degree level learning objectives (Number of LO)	Study methods	Assessment methods
CLO1. Be able to identify leading indicators of most macroeconomic variables	LO1.1., LO1.2, LO3.1, LO3.2	Lectures, discussion, individual presentation and report	Individual presentation and exam
CLO2. Understand the structure, dynamics and challenges of Lithuanian economy	LO1.1., LO1.2, LO3.1, LO3.2	Lectures, discussion, individual presentation, report	Individual presentation and exam
CLO3. Understand main factors behind different economic growth rates across the world and how governments can influence growth	LO1.1., LO1.2, LO3.1, LO3.2	Lectures, discussion, individual presentation and report	Individual presentation and exam
CLO4. Understand relationship between macroeconomic variables and financial markets	LO1.1., LO1.2, LO3.1, LO3.2	Lectures, discussion, individual presentation and report	Individual presentation and exam

Quality Assurance Measures

The lecturer will apply multiple interactive teaching methods to keep the students engaged in the topic (discussions, individual presentations and reports). Continuous student feedback will be encouraged and accommodated to continuously improve class experience.

COURSE CONTENT:

Date	Class	Topic
2024-01-31	1	Introduction to the course. How to read, interpret and analyse economic data. How (not) to lie with statistics?
2024-02-05	2	Status of the global economy and financial markets. Contemporary issues in the global economy. Leading and lagging indicators
2024-02-19	3	Anatomy of economic crises – from global financial crisis and banking crisis of 2023. How to measure maturity of a business cycle?
2024-02-21	4	Euro area debt crisis. Fiscal austerity versus economic stimulus. Reflexive relationship between economic recessions and financial crises Student presentations: 1. Nowcasting GDP and alternatives to GDP 2. Government borrowing costs, modern monetary theory, monetization of debt 3. How to spot a residential real estate bubble?
2024-02-26	5	Causes and consequences of 2022 inflation. Unconventional monetary policy. Monetary policy lags Student presentations: 4. Short term leading indicators of consumer prices 5. Commercial real estate in high interest rate environment 6. National savings rate and household saving rate
2024-02-28	6	Sustainability and overheating of small open economies Student presentations: 7. Competitiveness of country X and Y 8. Leading indicators of wage growth 9. Leading indicators of household consumption
2024-03-04	7	Economic growth, factors of productivity, factor accumulation. Solow growth model. Measuring productivity. Path of productivity Student presentations: 10. Leading indicators of gross fixed capital formation 11. Employment, unemployment, and natural rate of unemployment 12. Natural rate of interest
2024-03-13	8	Globalization and deglobalization. China – shifting prospects and global role Student presentations: 13. High frequency indicators, alternative data 14. Yield curve and other leading indicators of recessions 15. Correlation between equity and bond returns: macroeconomic context
2024-03-18	9	Course wrap up Student presentations: 16. Macroeconomic impact of the euro adoption. Why some countries choose not to? 17. Economic effects of income inequality 18. Greenflation. Climateflation. Greedflation. Structural factors of inflation. 19. Comparing shadow economies of country X and Y 20. The value and price cryptocurrencies 21.
2024-04-03		Final exam

READINGS AND COURSE MATERIALS:

All necessary reading materials, including scientific publications, presentation slides and other materials will be made available on the e-learning system. Background books for this course are:

Olivier Blanchard (2009), *Macroeconomics*, 5th edition, Prentice Hall

Gillman, M. (2011), *Advanced modern macroeconomics*. Pearson.

Weil, David N. (2009), *Economic Growth*, 2nd ed. Pearson.

David Romer (2006), *Advanced Macroeconomics*, 3rd ed., Mc-Graw Hill

TEACHING METHODS:

The teaching will consist of lectures, discussions and debates. Students will have to prepare individual or a group (up to 2 students per group) report on selected economic topic and make a 15–20-minute presentation, which will be followed by questions and discussion. Report on presented topic (1-2 pages) should be sent by email to the lecturer by the end of the final lecture. At the end of each lecture 15 minutes are reserved for consultations on reports and presentations.

ASSESSMENT METHODS:

Method	Percent of course grade
Report and presentation	30
Participation	10
Final exam	60
Total:	100

ADDITIONAL NOTES:

In case of a negative final grade, students are allowed a re-sit exam. It will cover all course material. The weight of a re-sit is 60% of the final cumulative grade. Evaluation for report and class participation is not annulled. Students have to adhere to deadlines, as no extensions will be granted.

ANNEX

DEGREE LEVEL LEARNING OBJECTIVES**Learning objectives for Master of Social Science**

Programme:
Financial Economics

Learning Goals	Learning Objectives
Students will be critical thinkers	LO1.1. Students will be able to identify underlying assumptions, limitations of previous research; evaluate managerial solution alternatives.
	LO1.2. Students will become independent learners and develop their own comprehension of scientific theories, models, and concepts.
Students will be socially responsible leaders	LO2.1. Students will be able to evaluate past and current practices in their discipline from an ethical perspective .
Students will be effective communicators	LO3.1. Students will develop and deliver a coherent oral presentation .
	LO3.2. Students will develop and deliver a coherent written research paper .