Course: Economics III
Code: 10BBA60003

Type: Required  Year: 2  Semester: 1
ECTS Credits: 6
Language: Spanish
Coordination:

Faculty:
Josep Comajuncosa Ferrer
Josep Domènech Ponsi
Anna Laborda Coronil

Workload distribution:
Lectures 26 hours
Participatory sessions 32.5 hours
Independent work 116.5 hours
Tutorials / feedback 5 hours

Course contribution to the programme:
The Economics III course is part of the degree students’ education in Economics, so it has the following contributions in common with the department’s other courses:

1) Awakening the student’s ability to analyse, mental agility and critical mindset in relation to a company’s problems and economic relationship with its environment.
2) To provide the highest possible level of professional training and the information content needed for the future executive or manager.

Course learning objectives:
By the end of the course, students:

a) will have acquired the knowledge and tools needed to analyse and interpret reality from an economic perspective;
b) will have studied the main aspects of International Economics, and seen how theoretical models in the discipline enable them to analyse the problems;
c) will be able to make critical approaches to plans, decisions and microeconomic and macroeconomic policies, bearing in mind questions relating to social corporate responsibility.

Arising from these general objectives, a number of more specific objectives will be approached during the course, connected to the development of specific competences:
A. Presenting frames of reference, theory and tools and the keys for their use in analysing situations/cases and in the proposal of measures/solutions for their improvement.
B. Facilitating the definition of concepts, theories and/or models. Bringing together all the relevant aspects of the concepts for the analysis of situations/case studies, proposing solutions and/or research.
C. Promoting the integration and structuring of knowledge acquired on the course, through carrying out tasks designed with this objective in mind.
D. Promoting the critical mindset in reality analysis and debate among students.

Skills developed:
- The ability to understand the complexity of the context, in both its local and its global aspects.
- The ability to communicate information and/or knowledge.

Contents and methodology:
INTERNATIONAL ECONOMICS

The course is dedicated to the study of International Economics. Theoretical models are presented, which explain the behaviour of the relevant economic variables of the international economy, the way they interrelate and how economic policy affects them. They also describe the most important international economic institutions. Finally, there is analysis of some of the global economy’s major current problems. This is all based on the following course content.

Theme 1 – Determination of the Exchange Rate.

6 hours of lectures
(on average, across all the blocks, 2 hours of lectures are complemented by 2.5 hours of participatory classes)

Theme 2 – The European Monetary Union.
The Euro creation process. The optimal monetary area theory. Advantages and disadvantages of the single currency.

4 hours of lectures

Theme 3 – The open IS-LM Model
Formal analysis of the effects of economic policies on different exchange rate regimes.
6 hours of lectures

Theme 4 – The Major Global Imbalances.
The US current account deficit and the Chinese current account surplus. The role of the exchange rate. Dangers for the global economy.

4 hours of lectures

Theme 5 – The Global Financial Crisis of 2007-2010
Description of the crisis. Comparison with other major financial crises. Coming through the crisis in different regions of the global economy. The Euro zone problems. The public debt crisis.

6 hours of lectures

The learning process combines a variety of teaching methods in teacher-led and participatory sessions.

The teacher-led sessions revolve around description and analysis of the theoretical tools and formal models relevant to the course content. In the participatory sessions, activities include: analysis and discussion of case studies, solving practical exercises, discussion work individually and in small groups and production of concept maps.

**Evaluation:**
Objectives/skills will be judged to have been achieved if:

1) the overall course exam grade is a 5 or above;
2) practical class attendance is at least 80% (excepting justified absences);
3) all work (individual and group) set throughout the course has been submitted.

The course grade is based on two partial grades: P1 and P2.

For each partial grade (P1 and P2) 80% of the grade is from an exam, and the remaining 20% from assessment of the practicals and participatory activities.

The exam corresponding to the first partial will be given in the middle of the course. The first partial grade (P1) will be 80% from this exam and 20% from the practicals and participatory activities.

The exam corresponding to P2 will be at the end of the course. There are two options:
1st Option:
If the first partial grade (P1) is more than 4, the subjects covered are left out of the second partial, and the student only has to prepare the subjects in the second half of the course. The second partial (P2) is 80% from the second partial exam and 20% from the practicals and participatory activities. The final grade will be the average of P1 and P2, and to pass the student is required to obtain at minimum grade of 5.

2nd Option:
If the first partial grade (P1) is less than 4, the subjects of the first half of the course are not left out. In this case, all course content is included in the second partial exam. The second partial grade (P2) is 80% from the exam and the remaining 20% from the practicals and participatory activities. The final grade will be P2 and to pass the student is required to obtain at a minimum grade of 5.

Assessment of your performance during the course will take into consideration the acquisition of the learning objectives, on a scale of 0 to 10.

Information relating to the development of competences worked on throughout the course may be considered in the 0 to 10 grade, and will also be reflected from A to D in an independent indicator. The indicator will be incorporated into all the courses, and will be used to monitor each student’s progress throughout the programme.

Core bibliography:
Krugman & Obstfeld; "Economía Internacional". Addison Wesley, 7ª edición, 2006.

Complementary bibliography and reading material:
Bernanke, Ben; "Essays on the Great Depression", Princeton University Press, 2004
Eichengreen, Barry; "Globalizing Capital". Princeton, 1996.
Friedman, Thomas; "The World is Flat". Penguin, 2005.
Wolf, Martin; "Fixing Global Finance". Yale University Press, 2009