

IK: Economic Growth, Business Cycles, and Unemployment Wachstum, Konjunktur und Arbeitslosigkeit (Intensifying course)

Intensifying course (IK), 2.00 hours, 4.00 ECTS credits, recommended semester: 4-8, after the EK has been completed.

Language: English.

Time and date: Tuesdays, 13.45-15.15, K034D

Lecturer: Dr. Eddy Bekkers

Requirements:

Interactive Course „Income, Inflation and Unemployment”,
Intensive Course „Income, Inflation and Unemployment”,
Minimum of 40 ECTS points (courses and intensifying courses of the first part of studies),
Students are expected to have completed the EK “Economic Growth, Business Cycles, and Unemployment”.

Assessment:

Homework assignments in groups of 3-4 (30% of the final grade). Midterm (30%) and final exam (40%).

Students have to hand in assignments every week. Assignments are made in groups of 3 or 4 students. Assignments consist of mathematical/model exercises, explaining economic intuition and doing some data analysis in excel.

Exams:

Midterm: November 18, 2008

Final: January 27, 2009

Course aims:

This is the intensifying course to “Economic Growth, Business Cycles, and Unemployment”. We will on the one hand deepen the understanding of the microeconomics foundations of the macroeconomic theory covered and on the other hand discuss non technical extensions of the material using some journal articles and actual articles about economic problems by economists that are freely available on the web and of high quality. In this way students will enlarge their understanding of the formal foundations of macroeconomic theory and learn to apply the acquired economic intuition to real world problems. Assignments to be handed in are both on formal derivations and on the intuition of real world issues. Students should take the course “Economic Growth, Business Cycles, and Unemployment” before they take the intensifying course.

Working Method

The intensifying course is intended to complement the course on growth, business cycles and unemployment. In part the same material is covered as in the course and we will deepen the knowledge from the course. In part we will also extend the material from the course, in particular on economic growth and money and banking. The first part of each class will consist of a lecture

by the teacher; in the second part the assignments handed in that week will be discussed and students will show the solutions they found to the assignments in front of the class.

Required Reading:

Stephen D. Williamson, Macroeconomics, 3rd Edition, 2008, Pearson Addison Weseley.

Some journal articles

Articles from blogs like www.voxeu.org (by European economists) and

<http://economistsview.typepad.com> (with links to articles of many American and European economists)

Topics :

Microeconomic Foundations and Intertemporal Macroeconomics	Chapters 4,5,8,9
Economic Growth	Chapters 6,7 and Articles
Money and Banking	Chapters 10,15 and Articles

Coordinates Lecturer and Office Hours

Office: K126A

Telephone: 8220

Email: eddy.bekkers@jku.at

Office hours are Tuesday 15.30-16.30 and Wednesday 15.30-16.30

Course Outline

	Lecture		Assignments
week1	Introduction+chapter 4	One Period Model	
week2	Chapter 5 and 8	One Period Model	Chapter 3 and 4
week3	Chapter 8 and 9	Two Period Model and Investment	Chapters 5 and 8
week4	Chapter 9	Complete Model	Chapters 8 and 9
week5	Chapter 10	A Monetary Intertemporal Model	Chapter 10
week6	Chapter 15	Money Inflation and Banking	Chapter 15
week7	Mid term exam		
week8	Articles	Banking and Financial Crisis	Articles
week9	Chapter 6	Solow Model	Articles
week10	Chapter 7	Endogenous Growth	Chapter 6
week11	Chapter 7 and Articles	Endogenous Growth	Chapter 7
week12	Articles	Empirical Growth	Articles
week13	Articles	Institutions	Articles
week14	Final exam		