



## SYLLABUS



Level of Study : Licence 2  
Semester : 4

ECTS : 6

Lesson: Macroeconomics 3

CM : 30 Hours

Teaching : Marion DAVIN

TD : 15 Hours

E-mail: [marion.davin@umontpellier.fr](mailto:marion.davin@umontpellier.fr)

Evaluation : Continuous control (TD) + One final exam 1h30 (CM)

### Presentation and objectives

Presentation:

This course pursues the macroeconomic analysis initiated in the course "Macroeconomics 1", by studying some specific macroeconomic models.

→ Macroeconomic equilibrium in an open economy (ISLMBP model), by taking into account international movement of good and capital.

→ AS-AD model: analysis of macroeconomic general equilibrium when price of good are flexible. Focus on how supply mechanisms matter to determine general equilibrium.

Objectives:

With this course, the student has to be able to understand and formalize the macroeconomics effects of some economic policies: (1) in a context of open economy and (2) in a context in which the aggregate supply affects the price determination.

### Pré-requis

Program of Macroeconomics 1 and 2 : The student should be able to use and understand simple macroeconomic models

→ Classic

→ Keynesian

→ ISLM + its policy implications

### Content

Introduction : ISLM Model and policy implication in a closed economy

#### **Part 1 : Macroeconomic equilibrium in an open economy**

##### Chapter 1 Open Macroeconomic : openness indicators and balance of payment

→ Some facts: Openness of good market and financial market

→ Exchange rate and balance of payment

##### Chapter 2: Formlisation of the good market in an open economy

##### Chapter 3 : ISLMBP model

→ Analysis of different models according to capital mobility

##### Chapitre 3 : Macroeconomic policy in ISLMBP model

→ Monetary and fiscal policies analysis, with fixed and flexible exchange rates

## **Part 2: Aggregate demand and aggregate supply**

Chapter 1: General equilibrium AS AD model

Chapter 2: Policy implications in AS AS model

### **Bibliography**

#### **Books :**

- **O. Blanchard, Macroeconomics: global Edition, 6th Edition, Pearson Education**
- **M. Burda, C. Wyplosz, Macroeconomics: A European Text, 6e édition, Oxford Press**
- **G. Mankiw, Macroéconomie, 6th Edition, De Boeck**

#### **Blog :**

#### **• Paul Krugman:**

<http://topics.nytimes.com/top/opinion/editorialsandoped/oped/columnists/paulkrugman/index.html>

#### **• Greg Mankiw :**

<http://gregmankiw.blogspot.fr/>