



## Course guide

### 240785 - 240785 - Topics in Macroeconomics

**Last modified:** 16/05/2023

**Unit in charge:** Barcelona School of Industrial Engineering  
**Teaching unit:** 1039 - UPF - Universitat Pompeu Fabra.

**Degree:** BACHELOR'S DEGREE IN INDUSTRIAL TECHNOLOGIES AND ECONOMIC ANALYSIS (Syllabus 2018).  
(Optional subject).

**Academic year:** 2023    **ECTS Credits:** 6.0    **Languages:** English

#### LECTURER

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**Coordinating lecturer:** Fernando Broner (fbroner@crei.cat)

**Others:** Fernando Broner (fbroner@crei.cat), Giacomo Ponzetto (gponzetto@crei.cat), Jaume Ventura (jventura@crei.cat) (this list may be subject to change)

#### TEACHING METHODOLOGY

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The course will provide a sampling of current research in macroeconomics and international economics. Different faculty members will present some of their current work, placing it in the context of the literature. The course is aimed at students who are considering pursuing graduate studies in economics and those who want to go beyond the material covered in intermediate macro courses. There are no strict prerequisites, but the course will be taught at a high level. Lectures and readings will be in English.

#### LEARNING OBJECTIVES OF THE SUBJECT

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## CONTENTS

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### Contents

#### Description:

##### 1. The Macroeconomic Effects of Bubbles (Prof. Jaume Ventura)

This part of the course develops a macroeconomic framework to think about the origins and effects of bubbles in asset prices and credit. This framework is then used to shed light on current debates such as the effects of financial globalization and the role of policy during a bubbly episode.

##### 2. Information, Politics and Federalism (Prof. Giacomo Ponzetto)

This part of the course studies how voter information determines political decisions and in particular the formulation of economic policy. First, we will develop a model of political agency in which imperfectly informed voters monitor self-interested politicians. We still study how the distribution of information shapes overall government accountability, the distribution of public goods, and the priority accorded to different policies. Second, we will consider the implications of this model for federalism and the geographic organization of government. Finally, we will turn our attention to a related model of preference aggregation in which politicians can commit to policy proposals. We will study how differences in information across voters can explain strategic extremism and Pareto-inefficient policy distortions.

##### 3. Sovereign Risk (Prof. Fernando Broner)

This part of the course analyzes the interactions between international and domestic financial markets. First, we will explore theoretically and empirically the incentives for countries to repay their international debts in the absence of domestic markets. Second, we will explore the interactions between domestic and international financial markets and analyze how and when financial integration can lead to financial instability. Finally, we will analyze the European financial crisis.

#### Full-or-part-time: 48h

Theory classes: 30h

Practical classes: 9h

Guided activities: 9h

## GRADING SYSTEM

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Grading will be based on a final exam (70%) and on three problem sets (30%).