

## **MACROECONOMICS II**

Degree(s)	: Economics
Type	: Compulsory course unit
Curricular year/semester	: 2nd year / 2nd Semester
ECTS / hours per week	: 6 ECTS / 4.0 Hours
Workload per week	: 2 Theoretical x 1 Hour + 1 Practical x 2 Hours
Teacher responsible	: Professor José António Correia Pereirinha

### **OBJECTIVES**

Macroeconomics 2 is a course unit aiming at to study modern economic growth by providing the conceptual elements, as well as the basic analytical tools for analysing economic growth factors.

Having completed this curricular unit, the aim is that students will:

1. Understand the significance of economic growth and related basic concepts and also know the main milestones in the evolution of the theoretical concepts of the history of economic thinking;
2. Have a good understanding of the principle models of economic growth and their use to understand and distinguish the various conditioning factors of economic growth;
3. Know about the main statistical sources and be able to recognise the principle characteristic facts of modern economic growth, as well as to be able to understand and debate current issues related to the growth of economies.

Are able to identify and to discuss ethical dimensions of the working of the economic systems as it results from economic growth and the economic policy.

### **PROGRAM**

#### **Part I – What is economic growth?**

01. Economic growth: data and facts.
02. Theories of growth: a brief historical summary.

**Part II – The neoclassical model of growth.**

03. The neoclassical model (Solow-Swan) of economic growth.
04. The Solow model with human capital.
05. Applications and empirical evidence of the Solow model.

**Part III – Endogenous models of growth.**

06. Endogenous models of growth. The AK model.
07. Technology, technological development and the economics of ideas.
08. The Romer model.

**Part IV – Complimentary topics on economic growth.**

09. Social infrastructures and the role of institutions.
10. Economic growth and income distribution.
11. Welfare State and economic growth.
12. Topics on economic growth in Portugal and the European Union.

**BIBLIOGRAPHY**

**Recommended Bibliography:**

- Jones, Charles I., V. Dietrich (2013), *Introduction to Economic Growth*. Norton. 3rd edition.
- Gylfason, T. (2003), *Principles of Economic Growth*. Oxford University Press
- Amaral, J. F., Serra, A. A., Estêvão, J. (2008), *Economia do Crescimento*. Almedina (ASE)