

SUBJECT'S FACT SHEET

General information	
Name	Economic Approaches to International Relations
Code	0000007160
Degree	Dual Degree in International Relations and International Communication/Bachelor in Global Communication
ECTS credits	6
Character	Obligatory
Department	Economics
Teaching language	Spanish and English
Description	Basic economic models of microeconomics and macroeconomics. Utility functions and choice theory. Supply and demand. Government interventions and market failures. Elasticity. Production. Perfect competition and the supply curve. Monopoly. Monopolistic competition (Imperfect competition). International trade. Macroeconomics. National Accounting. Aggregate supply and demand. Fiscal policy. The money market, Central Banks and monetary policy. Basic macroeconomics of an open economy. Wealth and income distribution. Competition and profit in the current economy.

Teaching staff	
Coordinator	
Name	Riccardo Ciacci
Department	Economics
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Office hours

TBC via email

SPECIFIC DATA ON THE SUBJECT**Contextualization****Contribution to the students' professional profile**

This course offers basic microeconomic and macroeconomic concepts to first year students. After this course they will be able to analyze and understand simple economic settings using economic models. During the course they will also learn different economic technicisms

Pre-requirements

Knowledge of basic mathematical concepts as studied in 3o de la ESO. That is, being able to write down the formula of a straight line (slope and intercept). Being able to compute areas of geometrical figures (mainly triangles and squares). Basic knowledge of English since the main slides of the course are in English.

THEMATIC BLOCKS AND CONTENTS**Contents****Block 1: Microeconomic Principles****Part One: What is Economics?**

Topic 1. Definition and basic principles

1.1 Definition of the economy

1.2 The Economic Science

1.3 Difference between Positive Economics and Normative Economics

1.4 Difference between different levels of analysis: individual (micro) and aggregate (macro)

1.5 The economic models

Part Two: Supply and Demand

Topic 2. Supply and demand

2.1 The competitive market

2.2 The demand curve

2.3 The supply curve

2.4 Supply, demand and equilibrium

2.5 Changes in supply and demand

Topic 3. Elasticity

3.1 Price elasticity of demand

3.2 Other demand elasticities: cross-price elasticity of demand, income elasticity of demand

3.3 Price elasticity of supply

Topic 4. Consumer and producer surplus

4.1 Consumer surplus and the demand curve

4.2 Producer surplus and the supply curve

Part Three: The Producer

Topic 5. Production

5.1 The production function

5.2 Marginal and average cost

5.3 Short-term and long-term costs

5.4 Economies and diseconomies of scale

Part Four: Markets

Topic 6. Perfect competition and supply curve

6.1 Perfect Competition

6.2 Production and profits

6.3 The industry supply curve

Topic 7. Imperfect competition: monopoly, oligopoly and monopolistic competition

7.1 Monopoly

7.2 Oligopoly

7.3 Monopolistic competition

Block 2: Macroeconomic Principles

Part Five: Introduction to Macroeconomics

Topic 8. Introduction to Macroeconomics

8.1 Macroeconomic aggregates

8.2 The business cycle

8.3 Inflation and deflation

8.4 International imbalances

Topic 9. National accounting

9.1 Real GDP and aggregate output

9.2 The unemployment rate

9.3 Price indices and the aggregate price level

Part Six: Short-term economic fluctuations

Topic 10. Aggregate supply and demand

10.1 Aggregate demand

10.2 Aggregate supply

10.3 The aggregate supply-demand model

10.4 Macroeconomic policies

Topic 11. Fiscal policy

11.1 Fiscal policy and the fiscal multiplier

11.2 The budget balance

11.3 The long-term consequences of fiscal policy

Topic 12. Money, Central Banks and Monetary Policy

12.1 The meaning of money

12.2 The monetary function of banks

12.3 The European Central Bank

12.4 Monetary policy

Topic 13. The Macroeconomics of an Open Economy

13.1 The balance of payments

13.2 Capital flows

13.3 Exchange rates and macroeconomic policies

Further readings:

A brief history of equality by Thomas Piketty

The Profit paradox by Jan Eeckhout

TEACHING METHODOLOGY

General methodological aspects of the course	
Face-to-Face Methodology: Activities	
<p>Frontal lectures given by the professor. Students are expected to be quiet and pay attention.</p> <p>Ability to solve questions on the matter using the basic mathematical tools expounded above.</p> <p>Group presentations. Students might be asked to present a chapter of one of the two books listed above.</p>	<p>CGI03, CE08</p> <p>CGP12, CGS18, CGS24, CGI01, CGI02, CGI03, EC08</p> <p>CGS18, CGS24, CGI01, CGI02, CGI03, CE08</p>
Non-attendance methodology: Activities	
<p>Homework of different nature: review the lecture and being able to solve exercises linked to the lectures and presented during the lecture by the professor.</p> <p>Students should ask their peers what was taught on the days they could not attend the lesson and are expected to study on their own those topics as well.</p>	<p>CGS18, CGS24, CGI01, CGI02,</p> <p>CGI03, CE08</p>

EVALUATION CRITERIA

Graded activity	Criteria	Weight
Midterm exam	One midterm exam composed of 10 multiple choice questions. Wrong answers give a negative credit.	50%
Final exam	<p>A final exam composed of 10 multiple choice questions. Wrong answers give a negative credit.</p> <p>A minimum grade of 5 is expected in the final exam to pass the course</p>	50%

Extraordinary exam

In the extraordinary call, the exam will make 100% of the final grade.

Clearly, a fortiori a minimum grade of 5 must be obtained, in this case as well, to pass the course.

SUMMARY OF STUDENT WORK HOURS

Attendance hours	
Frontal lectures	Individual/group work
40	20
Non-attendance hours	
Individual/group work on exercises	Personal study and reading
45	45
Total ECTS: 6 (150 hours)	

BIBLIOGRAPHY AND RESOURCES

Basic Bibliography

- Mankiw, N. G. (2021). *Principles of economics*. Cengage Learning
- Piketty, T. (2022). *A brief history of equality*. Harvard University Press
- Eeckhout, J. (2022). The profit paradox: How thriving firms threaten the future of work.