

## **Optional 5: Economic Measurement**

**Tom Crossley (thomas.crossley@eui.eu)**

A first course in Economic Measurement, covering both "micro" and "macro" topics.

### **Topic 1 (2 lectures)**

*Introduction to National Accounting:* Output, income and expenditure GDP; Intermediate consumption and value added. Supply-use balancing. Sectoral accounts. National and sectoral balance sheets.

*Lequiller and Blades (2014), chapters 1, 4-8, and 10; Lecture notes and additional assigned readings.*

### **Topic 2 (2-3 lectures)**

*Price-Volume Decomposition:* Price and quantity Indices. Axiomatic and economic approaches. The CPI in practice. Multilateral price indices and international comparisons.

*Lequiller and Blades (2014), chapters 2 and 3; Lecture notes and additional assigned readings.*

### **Topic 3 (1 lecture)**

*The Labour Market:* Labour market states and labour market flows.

*Lecture notes and assigned readings.*

### **Topic 4 (1-2 lectures)**

*Investment, Capital and Productivity:* Measuring investment. Estimation of the capital stock. Productivity measurement.

*Lecture notes and assigned readings.*

### **Topic 5 (1-2 lectures)**

*Poverty and Inequality:* Household income, consumption and wealth. Poverty lines and measures. Inequality measures.

*Lecture notes and assigned readings.*

### **Topic 6 (1-lecture)**

*Distributional National Accounts and Micro-Macro comparisons:* Integrating micro- and macro-data to better understand economic growth and distribution.

*Lecture notes and assigned readings.*

## **Topic 7 (4 lectures)**

*Recent papers:* selected recent research papers in economic measurement.

*Student presentations.*

## **Exercise classes**

I'll distribute exercises, and solution, but there are no exercise classes

## **Teaching material**

- Lequiller, F. and D. Blades, (2014). Understanding National Accounts, 2nd Ed. OECD. (available here: <http://www.oecd.org/std/UNA-2014.pdf>)
- Selected journal articles and additional reading assigned with each lecture.
- Lecture notes provided by the instructor.

## **Assessment**

- class participation (including presentation) (30%)
- short written assignment (20%)
- take-home exam (50%)