

Subject Description Form

Subject Code	AF3626
Subject Title	Intermediate Macroeconomics
Credit Value	3
Level	3
Normal Duration	1-semester
Pre-requisite	AF1605 Introduction to Economics <i>OR</i> equivalent, OR AF2602 Global Economic Environment <i>OR</i> equivalent
Objectives	<p>The course builds on knowledge acquired in AF1605 Introduction to Economics to develop further students' understanding of macroeconomic theory.</p> <p>The course seeks to</p> <ul style="list-style-type: none"> * Provide an integrated view of macroeconomics * Make close contact with current macroeconomics events * Enhance the students' understanding of the influence of macroeconomic policy and macroeconomic variables on business activities * Enable the students to be aware of the main contributions of the leading schools of macroeconomic thought. * Prepare students to use the knowledge gained to study economics or business-related subjects at an advanced level.
Intended Learning Outcomes	<p>At the end of this course, students should be able to</p> <ol style="list-style-type: none"> a. 1. Understand and be able to use the various measures of an aggregate economy's performance and well-being; b. 2. Be able to perform simple forecast of macroeconomic variables; c. 3. Understand how aggregate macroeconomic behavior is affected by microeconomic behavior and equilibrium restrictions; d. 5. Understand the factors that cause economic growth and be able to describe the patterns of economic development across countries and over time; e. 6. Understand how credit and labor frictions operate and how they might impact macro economic behavior. f. Have sufficient analytical skills and knowledge about macroeconomics.
Subject Synopsis/ Indicative Syllabus	<p>Topic 1 Introduction and Measurement Issues</p> <p>Ch.1 Introduction and Measurement Issues Ch.2 Measurement Ch.3 Business Cycle Measurement</p>

	<p>Topic 2 Production and Cost</p> <p>Ch.4 Consumer and Firm Behavior: The Work-Leisure Decision and Profit Maximization Ch.5 A Closed- Economy One-Period Macro-economic Model Ch.6 Search and Unemployment</p> <p>Topic 3 The Price Mechanism: Demand, Supply and Market</p> <p>Ch.7 Economic Growth: Malthus and Solow Ch.8 Income Disparity Among Countries and Endogenous Growth</p> <p>Topic 4 Macroeconomics: Data and Issues</p> <p>Ch.9 A Two-Period Model: The Consumption-Savings Decision and Credit Markets Ch.10 Credit Market Imperfections: Credit Frictions, Financial Crises, and Social Security</p> <p>Topic 5 Spending, Output, and Fiscal Policy</p> <p>Ch.12 Money, Banking, Prices, and Monetary Policy Ch.13 Business Cycle Models with Flexible Prices and Wages</p>																																																						
<p>Teaching/Learning Methodology</p>	<p>Lectures focus on the discussion and illustration of key macroeconomic concepts, in-depth analysis using an integrated macroeconomic framework.</p> <p>Tutorials provide students with the opportunity to strengthen their understanding of the concepts taught in lectures and to apply the macroeconomic tools to analyze real world problems. The activities in tutorials include student presentations and discussions of problems sets.</p>																																																						
<p>Assessment Methods in Alignment with Intended Learning Outcomes</p>	<table border="1"> <thead> <tr> <th data-bbox="488 1297 797 1465" rowspan="2">Specific assessment methods/tasks</th> <th data-bbox="797 1297 954 1465" rowspan="2">% weighting</th> <th colspan="6" data-bbox="954 1297 1440 1394">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th data-bbox="954 1394 1036 1465">a</th> <th data-bbox="1036 1394 1117 1465">b</th> <th data-bbox="1117 1394 1198 1465">c</th> <th data-bbox="1198 1394 1279 1465"></th> <th data-bbox="1279 1394 1360 1465"></th> <th data-bbox="1360 1394 1440 1465"></th> </tr> </thead> <tbody> <tr> <td data-bbox="488 1465 797 1562">Continuous Assessment</td> <td data-bbox="797 1465 954 1562">50%</td> <td data-bbox="954 1465 1036 1562"></td> <td data-bbox="1036 1465 1117 1562"></td> <td data-bbox="1117 1465 1198 1562"></td> <td data-bbox="1198 1465 1279 1562"></td> <td data-bbox="1279 1465 1360 1562"></td> <td data-bbox="1360 1465 1440 1562"></td> </tr> <tr> <td data-bbox="488 1562 797 1659">1. Attendance and Participation</td> <td data-bbox="797 1562 954 1659">10%</td> <td data-bbox="954 1562 1036 1659">√</td> <td data-bbox="1036 1562 1117 1659">√</td> <td data-bbox="1117 1562 1198 1659">√</td> <td data-bbox="1198 1562 1279 1659"></td> <td data-bbox="1279 1562 1360 1659"></td> <td data-bbox="1360 1562 1440 1659"></td> </tr> <tr> <td data-bbox="488 1659 797 1734">2. Presentation</td> <td data-bbox="797 1659 954 1734">20%</td> <td data-bbox="954 1659 1036 1734">√</td> <td data-bbox="1036 1659 1117 1734">√</td> <td data-bbox="1117 1659 1198 1734">√</td> <td data-bbox="1198 1659 1279 1734"></td> <td data-bbox="1279 1659 1360 1734"></td> <td data-bbox="1360 1659 1440 1734"></td> </tr> <tr> <td data-bbox="488 1734 797 1810">3. Essay</td> <td data-bbox="797 1734 954 1810">20%</td> <td data-bbox="954 1734 1036 1810">√</td> <td data-bbox="1036 1734 1117 1810">√</td> <td data-bbox="1117 1734 1198 1810">√</td> <td data-bbox="1198 1734 1279 1810"></td> <td data-bbox="1279 1734 1360 1810"></td> <td data-bbox="1360 1734 1440 1810"></td> </tr> <tr> <td data-bbox="488 1810 797 1862">Final Examination</td> <td data-bbox="797 1810 954 1862">50%</td> <td data-bbox="954 1810 1036 1862">√</td> <td data-bbox="1036 1810 1117 1862">√</td> <td data-bbox="1117 1810 1198 1862">√</td> <td data-bbox="1198 1810 1279 1862"></td> <td data-bbox="1279 1810 1360 1862"></td> <td data-bbox="1360 1810 1440 1862"></td> </tr> </tbody> </table>	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c				Continuous Assessment	50%							1. Attendance and Participation	10%	√	√	√				2. Presentation	20%	√	√	√				3. Essay	20%	√	√	√				Final Examination	50%	√	√	√			
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	Total	100 %	
	To pass this subject, students are required to obtain Grade D or above in both the Continuous Assessment and Examination components.		
Student Study Effort Expected	Class contact:		
	▪ Lectures		26 Hrs.
	▪ Tutorials		13 Hrs.
	Other student study effort:		
	▪ Reading subject textbooks		28 Hrs.
	▪ Reading subject-related newspapers and magazines		28 Hrs.
	▪ Preparation for presentation and assignments		14 Hrs.
	Total student study effort		
Reading List and References	Blanchard and Johnson, <i>Macroeconomics</i> , 6th ed., Pearson (2012) (Textbook) Mankiw, <i>Macroeconomics</i> , Worth Publisher, latest edition. Carlin and Soskice, <i>Macroeconomics: Imperfections, Institutions and Policies</i> , Oxford University Press, latest edition.		