

THE UNIVERSITY OF THE WEST INDIES  
ST. AUGUSTINE

**Department of Economics**  
**Faculty of Social Sciences**  
**ECON 2003 Intermediate Macroeconomics II**

<b>SEMESTER:</b>	II
<b>LEVEL:</b>	II
<b>PRE-REQUISITE(S):</b>	ECON 2002
<b>COURSE TYPE:</b>	Core
<b>NO. OF CREDITS:</b>	3
<b>Delivery Mode:</b>	Online (Lectures and Tutorials)

---

**COURSE DESCRIPTION:**

This is the final component of a two (2) part series on Macroeconomics. Intermediate Macroeconomics II covers the additional standard topics of mainstream macroeconomics. Topics include: Open economy analysis, Economic Growth, Consumption, Investment, Money Supply and Demand and Business Cycle Theory. The course offers in-depth information on these key macroeconomic issues. In the context of the open-economy, the Mundell-Fleming model is discussed, expanding the discussion of the IS-LM model (introduced in part one (1)). The issue of economic growth is analyzed using the Solow Model. The other topics such as consumption and investment are discussed using various models. The course is enhanced with graphical representations and mathematical applications.

---

**RATIONALE**

Students should recognize the importance of the methodological approaches in describing and analysing macroeconomic outcomes.

---

COURSE AIM

To allow students to gain an appreciation of how economists use models to understand macroeconomic activities.

---

LEARNING OUTCOMES

Upon successful completion of this course, students will be able to demonstrate an awareness of more advanced Macroeconomic theory including, the Mundell-Fleming model, traditional and modern economic growth theories, consumption and investment theories. Specifically, at the end of the course, students must be able to:

1. Define and distinguish macroeconomic concepts and terminologies;
2. Describe, explain and apply graphically and mathematically, the underlying macroeconomic theories applicable to hypothetical and real case studies; and,
3. Apply economic policies to address real world economic challenges.

PROGRAMME GOALS AND COURSE LEARNING OUTCOMES

<p><b>Qualities of the Distinctive UWI Graduate</b></p> <p><i>A UWI Graduate of this course will demonstrate the following qualities</i></p>	<p><b>Course Learning Outcomes</b></p> <p><b>At the end of the course students will be able to</b></p>
<p>1. A critical and creative thinker;</p>	<p>i. Describe, explain and apply graphically, mathematically and in words, the underlying macroeconomic theories applicable to hypothetical and real case studies; and,</p> <p>ii. Explain how economic policies can be applied to address real world economic challenges.</p>
<p>2. <i>An effective communicator with good interpersonal skills</i></p>	<p>i. Describe, explain and apply graphically, mathematically and in words, the underlying macroeconomic theories applicable to hypothetical and real case studies; and,</p> <p>ii. Explain how economic policies can be applied to address real world economic challenges.</p>
<p>3. <i>IT-skilled and information literate</i></p>	
<p>4. <i>Innovative and entrepreneurial</i></p>	
<p>5. <i>Globally aware and well-grounded in his/her regional identity</i></p>	<p>i. Describe, explain and apply graphically, mathematically and in words, the underlying macroeconomic theories applicable to hypothetical and real case studies; and,</p> <p>ii. Explain how economic policies can be applied to address real world economic challenges.</p>
<p>6. Socially, culturally and environmentally responsible and guided by strong ethical values</p>	<p>i. Describe, explain and apply graphically, mathematically and in words, the underlying macroeconomic theories applicable to hypothetical and real case studies; and,</p> <p>ii. Explain how economic policies can be applied to address real world economic challenges.</p>

**COURSE ASSESSMENT:**

**Midterm Exam: 20%**  
**Final Exam: 80%**

**GRADING SYSTEM**

<b>GRADE</b>	<b>GPA</b>	<b>Mark%</b>
<b>A+</b>	<b>4.3</b>	<b>90-100</b>
<b>A</b>	<b>4.0</b>	<b>80-89</b>
<b>A-</b>	<b>3.7</b>	<b>75-79</b>
<b>B+</b>	<b>3.3</b>	<b>70-74</b>
<b>B</b>	<b>3.0</b>	<b>65-69</b>
<b>B-</b>	<b>2.7</b>	<b>60-64</b>
<b>C+</b>	<b>2.3</b>	<b>55-59</b>
<b>C</b>	<b>2.0</b>	<b>50-54</b>
<b>F1</b>	<b>1.7</b>	<b>40-49</b>
<b>F2</b>	<b>1.3</b>	<b>30-39</b>
<b>F3</b>	<b>0.0</b>	<b>0-29</b>

---

**TEACHING METHODOLOGY:**

This will take the form of a weekly 2-hour Lecture supported by a weekly tutorial. Tutorial sheets are available on MyeLearning. Lectures would be facilitated via use of PowerPoint presentations on most occasions.

Information on signing-up for lecturers and tutorials sheets are available on MyeLearning.

---

**REQUIRED TEXT:**

N. Gregory Mankiw (2010). **Macroeconomics**, 7<sup>th</sup> Edition. New York: Worth Publishers. ([www.worthpublishers.com/mankiw](http://www.worthpublishers.com/mankiw)).

***Other Useful texts:***

- (1) Blanchard, Oliver **Macroeconomics** (5<sup>th</sup> Edition or later edition).
- (2) Abel and Bernanke, **Macroeconomics** (4<sup>th</sup> Edition)

## Intermediate Macroeconomics II ECON 2003

### COURSE CALENDAR

Week	Topic	Required Readings/Learning Resources
1.	Introduction	
2.	The Open Economy	Chapter 5
3.	The Open Economy Revisited: The Mundell-Fleming Model and the Exchange-Rate Regime	Chapter 12
4.	The Open Economy Revisited: The Mundell-Fleming Model and the Exchange-Rate Regime	Chapter 12
5.	Economic Growth	Chapter 7
6.	Economic Growth	Chapter 7
7.	Economic Growth II	Chapter 8
8.	Consumption: Keynes and Fisher	Chapter 17
9.	Consumption: Modigliani and Friedman	Chapter 17
10.	Investment	Chapter 18
11.	Money Supply and Money Demand	Chapter 19
12.	Money Supply and Money Demand	Chapter 19
13.	Course Review <i>(no introduction of new subject matter)</i>	

REGULATIONS:

1. Students are advised to adhere to **UWI Examination Regulation No. 19 and 78:**

19. *“Any candidate who has been absent . . . . or whose attendance at prescribed lectures, classes, ... **tutorials**, ... has been unsatisfactory . . . . or who has failed to submit essays or other exercises . . . . **may be debarred** by the relevant Academic Board, on the recommendation of the relevant Faculty Board, . . . **from taking any University examinations . . . .**”*

Please note that the Department of Economics/Faculty of Social Sciences **requires students to attend and participate in at least 75% of tutorials for a course to avoid being debarred from taking the final exam.** Please refer to the Examination Regulations for First Degrees, Associate Degrees, Diplomas and Certificates including GPA Regulations

78. (i) Cheating shall constitute a major offence under these regulations.  
(ii) Cheating is any attempt to benefit one’s self or another by deceit or fraud.  
(iii) Plagiarism is a form of cheating.  
(iv) Plagiarism is the unauthorised and/or unacknowledged use of another person’s intellectual efforts and creations howsoever recorded, including whether formally published or in manuscript or in typescript or other printed or electronically presented form and includes taking passages, ideas or structures from another work or author without proper and unequivocal attribution of such source(s), using the conventions for attributions or citing used in this University.

2. University Policies and Expectations:

**a. Academic Integrity**

*You should be explicit with students about your expectations for citation of outside sources in written work, bearing in mind that different disciplines follow different conventions for scholarly citation. You should include a clear statement about the academic integrity standards for your field.*

**b. Accommodations for students with disabilities**

Students should refer to the University of the West Indies St Augustine Campus, Student Disability policy [https://sta.uwi.edu/resources/policies/Student\\_Disability.pdf](https://sta.uwi.edu/resources/policies/Student_Disability.pdf)