

THE UNIVERSITY OF THE WEST INDIES

ST. AUGUSTINE

Faculty of Social Sciences

Department of Economics

Course Outline

COURSE TITLE:	Intermediate Macroeconomics I
COURSE CODE:	ECON 2002
COURSE TYPE:	Core
LEVEL:	II
SEMESTER:	I
DEPARTMENT:	Economics
NO. OF CREDITS:	3
PRE-REQUISITE(S):	ECON 1001 and ECON 1002

Teaching Methods: Lecture and Tutorial

Estimated Study Hours:

1. At least two hours per week to prepare for lectures;
2. At least two hours per week to review material covered in lectures and read recommended text; and
3. At least two hours per week to complete tutorial sheets.

Instructor Information:

Dr. Diedron Lewis

FSS206

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COURSE DESCRIPTION:

This is the first of a two (2) semester sequence on Macroeconomics. This semester we will cover standard topics of mainstream macroeconomics. This course is designed to deepen your understanding of economic theory and methods. It is a major step above what you would have covered in your introductory course even though it builds on many of the same concepts. Topics include an in-depth coverage of: Unemployment, Money and Inflation. Next, an introduction to economic fluctuations within the context of the IS-LM framework is presented. Further, we also examine stabilization policy and the problems of government debt and budget deficits. If time permits, we will also cover open economy macroeconomics and theories of economic growth. **The model building approach is stressed throughout. It is crucial for you to gain an appreciation of how economists use these models in attempting to understand economic activity.**

COURSE ASSESSMENT:

Midterm Exam: 20%
Final Exam: 80%

TEACHING METHODOLOGY:

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

Information on signing-up for lecturers and tutorials sheets will be available via myeLearning.

Required Text:

N. Gregory Mankiw (2010). **Macroeconomics**, 7th Edition. New York: Worth Publishers. (www.worthpublishers.com/mankiw).

Other Useful texts:

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

CHAPTER OUTLINE:

I. INTRODUCTION

Chapter 1: The Science of Macroeconomics

Chapter 2: The Data of Macroeconomics

II. INCOME, UNEMPLOYMENT, AND INFLATION IN THE LONG-RUN:

Chapter 3: National Income: Where does it come from and where it goes
Central Bank of Trinidad and Tobago (2011) "Annual Economic Survey",
www.central-bank.org.tt.

Chapter 4: Money and Inflation
Central Bank of Trinidad and Tobago (2011) "Inflation",
www.central-bank.org.tt

Chapter 6: Unemployment

Chapter 9: Business Cycle Theory: The Economy in the Short Run
Introduction to Economic Fluctuations

III. SHORT-RUN ECONOMIC FLUCTUATIONS:

Chapter 10: Aggregate Demand I: Building the IS-LM Model

Chapter 11: Aggregate Demand II: Applying the IS-LM Model

Chapter 13: Aggregate Supply and the Short-run Tradeoff between Inflation
and Unemployment

IV. MACROECONOMIC POLICY DEBATES:

Chapter 15: Stabilization Policy

Chapter 16: Government Debt and Budget Deficits

REGULATIONS:

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.

GRADING SYSTEM

GRADING SYSTEM Grade	Quality Points	Mark%
A+	4.3	90-100
A	4.0	80-89
A-	3.7	75-79
B+	3.3	70-74
B	3.0	65-69
B-	2.7	60-64
C+	2.3	55-59
C	2.0	50-54
F1	1.7	45-49
F2	1.3	40-44
F3	0.0	0-39