

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

Delivery Mode: Online (Lectures and Tutorials)

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.
4. At least two hours per week to complete learning activities

Teaching Team:

Dr. Diedron Lewis

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Dr. Henry Bailey

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Mr. Benjamin Ramkissoon

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.**

RATIONALE

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

COURSE AIM

To allows 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 IS-LM model, unemployment, money and inflation and stabilization policy. 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. Explain how economic policies can be applied to address real world economic challenges.

PROGRAMME GOALS AND COURSE LEARNING OUTCOMES

<p>Qualities of the Distinctive UWI Graduate</p> <p><i>A UWI Graduate of this course will demonstrate the following qualities</i></p>	<p>Course Learning Outcomes</p> <p>At the end of the course students will be able to</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%

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. Students will also be required to engage in various group-based learning activities.

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:

Week	Topic	Required Readings/Learning Resources
1.	Introduction	Chapter 1: The Science of Macroeconomics Chapter 2: The Data of Macroeconomics
2.	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 "Annual Economic Survey", www.central-bank.org.tt .

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4.	Money and Inflation	Chapter 4: Money and Inflation
5.	Money and Inflation	Chapter 4: Money and Inflation
6.	Unemployment	Chapter 6: Unemployment
7.	Business Cycle Theory	Chapter 9: Business Cycle Theory: The Economy in the Short Run Introduction to Economic Fluctuations
8.	IS-LM model I	Chapter 10: Aggregate Demand I: Building the IS-LM Model
9.	IS-LM model II	Chapter 11: Aggregate Demand II: Applying the IS-LM Model
10.	Short-run Aggregate Supply model	Chapter 13: Aggregate Supply and the Short-run Tradeoff between Inflation and Unemployment
11.	Stabilization Policy	Chapter 15: Stabilization Policy
12.	Government Debt and Budget Deficits	Chapter 16: Government Debt and Budget Deficits
13.	Course Review <i>(no introduction of new subject matter)</i>	

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

GRADE	GPA	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	40-49
F2	1.3	30-39
F3	0.0	0-29