

## Econ 112 Macroeconomics (L3) - Fall, 2009

### *Course Outline*

## 1 Course Particulars

Lecturer: William W. CHOW

- Office: Rm. 2441
- Tel: 2358 7598
- Email: eccwy@ust.hk
- Website: <http://ihome.ust.hk/~eccwy/112/>
- Office Hours: Tue. 2-4 pm. or by appointment

Time:

Section	L3
Lecture	Mon, Wed, 10:30-11:50 (Rm. 2465)
Tutorial	(except for 1st week)
	3A: Thur, 10:30-11:20 (LTH)
	3B: Fri, 16:30-17:20 (Rm. 2406)
	TA: Astor Fok <a href="mailto:ecastor@ust.hk">ecastor@ust.hk</a>

## 2 Course Description

### 2.1 Course Objectives

This course covers the basic theory of short run macroeconomics. Elements of the macroeconomy - the output, labor, money and foreign exchange markets - are introduced into the IS-LM and Aggregate Demand and Aggregate Supply framework to facilitate analysis of fiscal, monetary and trade policies. Intended learning outcomes are:

1. To familiarize students with topics covered in syllabus.
2. To help students to be conversant with macroeconomic terms and news.
3. To develop students' analytical skills, both in interpreting diagrams and numerical problem solving.

### 2.2 Teaching Approach

Lecture notes can be downloaded from the course website mentioned above. Students are encouraged to read through those before attending lectures, and to participate in discussions. Examples and illustrations that might not be totally contained in powerpoints will be discussed in further depth in class.

## 2.3 Grades

Grading will be based on scores of homeworks, midterm exam and the final exam, the distribution of which is as follow:

- Homework - 20%; Midterm Exam - 30%; Final Exam - 50%

There are 3-4 assignments, each with 4 analytical questions. These will be collected and graded. Late submission will not be accepted unless prior approval is given. To avoid confusion, you should hand in your completed homeworks in class on each due date. Your TA will post the full submission record within a day upon collecting the assignments and an additional report on the scores given after he/she finishes grading. You have the responsibility of checking the records to make sure that the information contained there is correct.

Exams will consist of multiple choice questions and analytical problems designed to deliver the course objectives. Preliminary schedule for the midterm is **Oct 19 (Mon)** in class. Final exam will be non-cumulative.

**Important note on academic integrity:** Cheating and plagiarism will be reported to the university and, the course grade will appear on your record with an X, indicating that the grade is the result of cheating. This X grade stays with your record until graduation. If you cheat again and "earn" another X grade, you will be dismissed from the University.

## 2.4 Textbook

The following text is required for the course and a copy has been reserved in the HKUST library:

- *Macroeconomics*, 8th ed., Michael Parkin, (Publ.) Addison Wesley

## 3 Syllabus

- Chapter 1: Introduction and Review of Concepts
- Chapter 2: The Economic Problem
- Chapter 4: Measuring GDP and Economic Growth
- Chapter 5: Monitoring Unemployment and Inflation
- Chapter 11: The Keynesian Multiplier
- Chapter 8: Money and Prices
- Chapter 7: Finance, Saving and Investment
- The IS-LM Model
- Chapter 10: Aggregate Demand and Aggregate Supply

- Chapter 13: Fiscal Policy
- Chapter 14: Monetary Policy
- Chapter 12: Inflation, Unemployment and Business Cycles
- Chapter 6: Economic Growth
- Chapter 9: The Exchange Rate and the Balance of Payment
- Chapter 15: International Trade Policy (depending on progress)