

City University of Hong Kong
Course Syllabus

offered by Department of Economics and Finance
with effect from Semester A 2024/25

Part I Course Overview

Course Title: Advanced Macroeconomics

Course Code: EF5472

Course Duration: 1 semester

Credit Units: 3

Level: P5

Medium of Instruction: English

Medium of Assessment: English

Prerequisites:
(Course Code and Title) Nil

Precursors:
(Course Code and Title) Undergraduate level calculus and microeconomics

Equivalent Courses:
(Course Code and Title) Nil

Exclusive Courses:
(Course Code and Title) Nil

Part II Course Details

1. Abstract

This course is to equip students with an in-depth and applied-oriented understanding of how the macro economy works and how government policies can help or hinder it, in the modern paradigm of dynamic general equilibrium analysis. The course will develop student's discovery abilities through various teaching and learning activities, and enable students to:

- (a) apply the dynamic general equilibrium framework for the analysis of macroeconomic variables and their interdependence;
- (b) understand the determinants and mechanism of business cycle fluctuations, long-run economic growth, and inflation; and
- (c) apply the theories to analyze economic performance and policy choices of an economy.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

| No. | CILOs | Weighting (if applicable) | Discovery-enriched curriculum related learning outcomes (please tick where appropriate) | | |
|-----|--|------------------------------|---|----|----|
| | | | A1 | A2 | A3 |
| 1. | Describe business cycle measurement, short-run fluctuations and long-run economic growth stylized facts, and national income accounting. | 10% | √ | | |
| 2. | Describe general equilibrium and dynamic optimization. | 20% | √ | | |
| 3. | Explain economic growth in the light of exogenous and endogenous growth models. | 20% | | √ | |
| 4. | Apply representative agent dynamic general equilibrium framework to analyze business cycle fluctuations and long-run growth issues. | 30% | | √ | √ |
| 5. | Analyze money, inflation, and banking issues to understand the macroeconomy. | 20% | | | √ |
| | | 100% | | | |

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Learning and Teaching Activities (LTAs)

(LTAs designed to facilitate students' achievement of the CILOs.)

| LTA | Brief Description | CILO No. | | | | | Hours/week (if applicable) |
|--------------------------------|---|----------|---|---|---|---|-------------------------------|
| | | 1 | 2 | 3 | 4 | 5 | |
| Lectures, in-class discussions | Students will participate in class discussions and problem-solving on topics covered in lectures and current economic and financial issues, which will help them understand, discover, and innovatively analyze the macroeconomic events happening around them. | √ | √ | √ | √ | √ | |

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

| Assessment Tasks/Activities | CILO No. | | | | | Weighting | Remarks |
|---|----------|---|---|---|---|-----------|---------|
| | 1 | 2 | 3 | 4 | 5 | | |
| Continuous Assessment: 50% | | | | | | | |
| Assignments and in-class discussions | √ | √ | √ | √ | √ | 50% | |
| Examination: 50% (duration: 3 hours, if applicable) | | | | | | | |
| Examination | √ | √ | √ | √ | √ | 50% | |
| | | | | | | 100% | |

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Applicable to students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter

| Assessment Task | Criterion | Excellent (A+, A, A-) | Good (B+, B, B-) | Fair (C+, C, C-) | Marginal (D) | Failure (F) |
|---|-----------|--|--|--|--|--|
| 1. Assignments and in-class discussions | | Strong evidence of firm grasp of the subject knowledge and achieving the stated CILOs. Students have demonstrated very strong overall ability to discover and innovate, and showed very strong evidence of accomplishments of discovery. | Sufficient evidence of achieving the stated CILOs. Students have demonstrated strong overall ability to discover and innovate, and showed strong evidence of accomplishments of discovery. | Some evidence of achieving the stated CILOs. Students have demonstrated some ability to discover and innovate, and showed satisfactory evidence of accomplishments of discovery. | Marginal familiarity with the subject knowledge. Students have demonstrated marginal ability to discover and innovate, and showed marginal evidence of accomplishments of discovery. | Little evidence of familiarity with the subject knowledge. Students have demonstrated little evidence of ability to discover and innovate, and showed little evidence of accomplishments of discovery. |
| 2. Examination | | | | | | |

Applicable to students admitted from Semester A 2022/23 to Summer Term 2024

| Assessment Task | Criterion | Excellent (A+, A, A-) | Good (B+, B) | Marginal (B-, C+, C) | Failure (F) |
|---|-----------|---|--|--|--|
| 1. Assignments and in-class discussions | | Strong evidence of firm grasp of the subject knowledge and achieving the stated CILOs. Students have demonstrated very strong overall ability to discover and innovate, and showed very strong evidence of accomplishments of discovery. | Sufficient evidence of achieving the stated CILOs. Students have demonstrated strong overall ability to discover and innovate, and showed strong evidence of accomplishments of discovery. | Marginal familiarity with the subject knowledge. Students have demonstrated marginal ability to discover and innovate, and showed marginal evidence of accomplishments of discovery. | Little evidence of familiarity with the subject knowledge. Students have demonstrated little evidence of ability to discover and innovate, and showed little evidence of accomplishments of discovery. |
| 2. Examination | | | | | |

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

(An indication of the key topics of the course.)

Quantity indexes: Laspeyres, Paasche, and chain weighting; Long-run growth; Solow-Romer growth model; Steady state; Transitional dynamics; Growth accounting; Development accounting; Consumption; Investment; Government spending; Unemployment: Search and matching; Money and inflation; Taylor rule of monetary policy; Inflation targeting; Sticky price; DSGE model; Financial crisis; Exchange rate and open economy.

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

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| 1. | Mankiw, N. Gregory. <i>Macroeconomics</i> . Current Edition. Worth Publishers. |
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2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

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| 1. | Jones, Charles I. . <i>Macroeconomics</i> . Current Edition. Norton. |
| 2. | David Romer. <i>Advanced Macroeconomics</i> . Current Edition. McGraw-Hill. |