

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2017 /18**

Part I Course Overview

Course Title: Topics in Macroeconomics

Course Code: EF8078

Course Duration: 1 semester (39 hours)

Credit Units: 3

Level: R8

Arts and Humanities

Proposed Area: Study of Societies, Social and Business Organisations

(for GE courses only)

Science and Technology

Medium of Instruction: English

Medium of Assessment: English

Prerequisites: EF8072 Advanced Macroeconomics
(Course Code and Title)

Precursors: Nil
(Course Code and Title)

Equivalent Courses: EF5411 Topics in Macroeconomics
(Course Code and Title)

Exclusive Courses: Nil
(Course Code and Title)

Part II Course Details

1. Abstract

This course provides students with in-depth study on some current topics in the field of macroeconomic theory. In particular, the course will cover a variety of macroeconomic topics that includes consumption theory, investment theory, imperfect markets (goods market, labor market, and credit market), monetary theory, banking theory, fiscal and monetary theory, learning and its aggregate implications, research and development, intellectual property rights and its aggregate implications, time-consistency issues in macroeconomic contexts. While the extent of coverage on each of the topics may vary somewhat, this course will help students discover and appreciate the diversity in the scope of core macroeconomic issues, and in the approaches to analyzing them.

Objectives

- Study classical consumption and investment models; and the relation to macroeconomic fluctuations.
- Study classical imperfect markets models (goods market, labor market, credit market); and the relation to macroeconomic fluctuations.
- Study classical models of money and banking; and the relation to macroeconomic fluctuations.
- Study models of fiscal and monetary policy; and how policies may stabilize and de-stabilize the aggregate economy.
- Study models of research and development; how new goods are introduced in the market and be priced, intellectual property right protections and their aggregate implications.
- Study the time-consistency issues of agents, firms and the government and their policy implications.

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. | Demonstrate their understanding of basic consumption and investment models. | 10% | | √ | |
| 2. | Demonstrate their understanding of variants of the imperfect market models. | 10% | | √ | |
| 3. | Demonstrate their understanding of variants of the money | 10% | | √ | |

| | | | | | |
|----|---|------|---|---|---|
| | and banking models. | | | | |
| 4. | Demonstrate their understanding of variants of the endogenous research and development model. | 10% | | √ | |
| 5. | Demonstrate their understanding of variants of the monetary and fiscal policy model (including those with time-inconsistency problems). | 10% | | √ | |
| 6. | Apply their theoretical knowledge in some real world macroeconomic issues. | 50% | √ | √ | √ |
| | | 100% | | | |

* If weighting is assigned to CILOs, they should add up to 100%.

Please specify the alignment of CILOs to the Gateway Education Programme Intended Learning outcomes (PILOs) in Section A of Annex.

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 self-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. Teaching and Learning Activities (TLAs)

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

| TLA | Brief Description | CILO No. | | | | | | Hours/week (if applicable) |
|----------------------|-------------------|----------|---|---|---|---|---|----------------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | |
| Lectures | - | √ | √ | √ | √ | √ | √ | 3 hours lecture per week |
| In-class discussions | - | √ | √ | √ | √ | √ | √ | 3 hours lecture per week |
| Assignments, | - | √ | √ | √ | √ | √ | √ | 3 hours lecture per week |
| Term Project | - | | | | | | √ | 3 hours lecture per week |

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 | 6 | | |
| Continuous Assessment: 100 % | | | | | | | | |
| Coursework | √ | √ | √ | √ | √ | √ | 100 % | |
| | | | | | | | 100% | |

* The weightings should add up to 100%.

5. Assessment Rubrics

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

| Assessment Task | Criterion | Excellent (A+, A, A-) | Good (B+, B, B-) | Fair (C+, C, C-) | Marginal (D) | Failure (F) |
|-----------------|-----------|--|---|---|--|---|
| 1. Coursework | | Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base. | Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature. | Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material. | Sufficient familiarity with the subject matter to enable the student to progress without repeating the course. | Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature. |

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

1. Keyword Syllabus

Consumption and investment model, irreversibility, bounded rationality, imperfect markets, monetary and fiscal policy, research and development, patent, intellectual property right protection, time-consistency, etc.

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.)

| | |
|----|---|
| 1. | Blanchard, O. J. and S. Fischer, 1989, Lectures on Macroeconomics, Cambridge: MIT Press. |
| 2. | Dixit, A. and R. Pindyck, 1994, Investment under Uncertainty, Princeton: Princeton University Press. |
| 3. | Grossman, G. and E. Helpman, 1991, Innovation and Growth in the Global Economy, Cambridge: MIT Press. |
| 4. | Ljungqvist, L. and T. Sargent, 2004, Recursive Macroeconomic Theory, 2 nd ed., Cambridge: MIT Press. |
| 5. | Taylor, J. B. and M. Woodford, 1999, Handbook of Macroeconomics, vol 1A, 1B, 1C, Amsterdam: North-Holland. |
| 6. | Walsh, C., 2003, Monetary Theory and Policy, 2 nd ed., Cambridge: MIT Press. |
| 7. | Woodford, M., 2003, Interest and Prices: Foundations of a theory of Monetary Policy, Princeton: Princeton University Press. |

2.2 Additional Readings

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

Nil