City University of Hong Kong
Course Syllabus

offered by Department of Economics and Finance
with effect from Semester A 2022 /23

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.	Discover and understand business cycle measurement, short-run fluctuations and long-run economic growth stylized facts, and national income accounting.	10%	√		
2.	Discover and understand general equilibrium and dynamic optimization.	20%	√		
3.	Explain and analyze economic growth in the light of exogenous and endogenous growth models.	20%		√	
4.	Make use of the representative agent dynamic general equilibrium framework to understand and analyze issues related to business cycle fluctuations and long-run growth.	30%		√	√
5.	Analyze issues related to money, inflation, and banking for understanding the macro economy.	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 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	
Lectures, in-class discussions, assignments,	There will be in-class discussions and problem solving of topics covered in lectures and current economic and financial issues, which will help students understand, discover, and innovatively analyze the macroeconomic events happen around them. Problem sets will also be provided students during the semester to develop their attitude to discover and innovate. The final examination contain mostly essay questions, which will help students integrate theories and concepts and develop students' problem solving skills. These reflect the accomplishments of discovery and innovation.	√	√	√	√	√	
Final exam		√	√	√	√	√	

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: <u>50%</u>							
Assignments and in-class discussions	√	√	√	√	√	50%	
Examination: <u>50</u> % (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 in Semester A 2022/23 and thereafter

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B)	Marginal (B-, C+, C)	Failure (F)
1. Assignments and in-class discussions 2. Final Exam		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.

Applicable to students admitted before Semester A 2022/23

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 2. Final Exam		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.

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.)

    Real business cycle theory; Representative agent model; dynamic general equilibrium; First and second welfare theorems; Social planner approach; Neoclassical growth model; Intertemporal decision; Intertemporal substitution; Ricardian equivalence theorem; Neutrality of money; Cash-in-advance model; Strategic complementarities; Coordination failure model; Friedman rule; Inflation tax; Financial intermediation and banking

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.	Williamson, Stephen D. ***Macroeconomics***. Current Edition. Pearson.

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

1.	Wickens, Michael (2008) ***Macroeconomic Theory: A Dynamic General Equilibrium Approach***. Princeton.
2.	David Romer. ***Advanced Macroeconomics***. 4th Edition. McGraw-Hill.