

Introductory Macroeconomics

Global Program on Economics and Finance (2021 Fall)

Course Title	Introductory Macroeconomics		
Credit	3	Credit Hours	48 credit hours
Course Objectives	This course is designed as an introduction to basic concepts and theories of macroeconomics. Students are supposed to develop a good command of macroeconomic models and an understanding of key macroeconomic issues.		
Course Description	<p>The course is organized in four parts.</p> <p>Part I provides a brief introduction of core questions in macroeconomics, the development of macroeconomic theory, and key macroeconomic indicators.</p> <p>Part II studies determinants of short-run economic growth. A simple equilibrium model in the goods market and its extensions, IS-LM model, and AD-AS model will be introduced. Monetary and fiscal policies will also be discussed.</p> <p>Part III examines the economy in the long run, tools of modern growth theory will be introduced.</p> <p>Part IV focuses on advanced topics in macroeconomics, including savings and consumption theory, investment theory, and the Mundell-Fleming model in an open economy.</p>		
Course Requirements:			
Prerequisites: Principles of economics			
Teaching Methods:			
Lecture			
Course Schedule			
Part I: Introduction			
(a) Key questions in macroeconomics			
(b) The development of macroeconomic theory			
(c) Measuring the value of economic activity: GDP			
(d) Other important macroeconomic variables			
Part II: The economy in the short run			
(a) Equilibrium in the goods market			

- (b) Financial market and the IS-LM model
- (c) Aggregate demand and supply model
- (d) The Phillips curve
- (e) Macroeconomic policy

Part III: The economy in the long run

- (a) Economic growth and development
- (b) Harrod-Domar model, Solow model, and endogenous growth theory
- (c) Growth empirics and policy

Part IV: Topics in macroeconomic theory

- (a) Consumption theory and its development
- (b) Investment decisions

The design of class discussion or exercise, practice, experience and so on:

Students are required to miss no more than two classes and complete 2 problem sets. You may discuss the homework problems with your classmates, but copying is not allowed. Homework should be handed in on time, and late homework will not be accepted.

Grading & Evaluation:

Class participation: 5%
Homework: 25%
Midterm: 30%
Final: 40%

Teaching Materials & References:

Lecture notes

Mankiw, Gregory, 2018, Macroeconomics, 10th edition, World Publishers.

Yuan, Zhigang and Xiaoyan Fan, 2015, Macroeconomics (in Chinese), 2nd edition, Higher Education Press.