



**GLEF 3010 International Monetary Systems
2017-18 Term 1
Course outline**

COURSE DESCRIPTION

This course introduces students the practical aspects of macroeconomics that are essential in understanding the functioning of global economies, with a specific focus on issues related to the monetary systems. Students will be taught the use of econometric and modeling softwares for the purpose of enhancing their understanding of forecasts and predictions.

LEARNING OUTCOMES

After completing this course, students should be able to:

1. Handle macroeconomic models algebraically and computationally.
2. Evaluate the effects of macroeconomic policies and shocks on the domestic economy in the short run and medium run.
3. Understand the functioning of fixed and flexible exchange rate regimes, and their implications in policy designs.
4. Understand the theoretical and practical limitations of central bank independence.

THE TEACHING TEAM

| | |
|---------------------|--------------------------------|
| Instructor | Wallace K. C. Mok |
| Email | wallacemok@cuhk.edu.hk |
| Office | ELB 905 |
| Office Hours | Walk-in consultations welcomed |

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|---------------------------|--------------------------------|
| Teaching Assistant | Jason Cheung |
| Email | jasontkcheung@link.cuhk.edu.hk |
| Office | ELB1017 |
| Office Hours | By Appointment |

LECTURE HOURS

Tuesday 10:30am - 1:15pm

Venue: SB LT2



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ASSESSMENT SCHEME

The assessment is based on:

| Instruments | Weight |
|--------------------|---------------|
| Group Project | 30% |
| Midterm | 30% |
| Final | 40% |
| Total | 100% |

More details will be announced during class.

COURSE TEXTBOOKS

There are no required textbooks, but students are advised to read broadly so to enhance their understanding of important issues of the day and the market. For students who wish to acquire a deeper understanding of modern macroeconomic theory, the following textbooks are recommended.

- *Intermediate Macroeconomics* – 7th Edition (International Student Edition for Asia), by N. Gregory Mankiw, Worth Palgrave Macmillan
- *Macroeconomics* – 2nd Edition, by Charles I. Jones, Norton
- *Advanced Macroeconomics*, by David Romer, McGraw-Hill/Irwin
- *Introduction to Modern Economic Growth*. by Daron Acemoglu, Princeton University Press
- *Economics*, by John Sloman, Prentice Hall

COURSE MATERIALS

Course materials (lecture slides, lecture notes, additional readings, problems sets and their solutions) will be posted on WEBCT.

HONESTY IN ACADEMIC WORK

Students must observe the University's policy on Honesty in Academic Work (please see <http://www.cuhk.edu.hk/policy/academichonesty/>).



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CONTENTS (Tentative and not necessarily in order)

Part 1. Essential Macroeconomics

Elements of Macroeconomics
ISLMBP and the AD/AS frameworks
Schools of Macroeconomic Thoughts
Great Depression and Great Recession

Part 2. Introduction to Macroeconometrics

Elements of Econometrics
Time Series Econometrics
Vector Autoregressions
Structural Vector Autoregressions

Part 3. Policy Predictions

Dynamic Stochastic General Equilibrium Models

Part 4. Debt Sustainability and Monetary Analysis