

The Chinese University of Hong Kong
ECON 2021: Basic Macroeconomics
Course Outline for Term 2, 2018-2019

Instructor

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Lecture: Tuesdays 8:30-10:15am, ELB LT3
 Thursdays 12:30-1:15pm, ELB LT3

COURSE DESCRIPTION

This course introduces the basic mathematical models that are used by economists to explain short- to long-run performance in the whole economy. We use math no more than simple high-school algebra. However, students wanting to avoid mathematics should take another course “ECON 1010 Perspectives in Economics”. Our core concern is to endow students with skills to handle, for example, IS-LM and growth models, and the factors underlining them. We are interested in matters related to, but not limited to, business cycles, unemployment, inflation, fiscal policy and monetary policy, and economic growth.

COURSE OBJECTIVES

This course explores various topics in macroeconomics using different methods of analysis. Students will learn to utilize simple mathematical models and perform graphical analysis to understand macroeconomic business cycles, growth, and the movements of macroeconomics variables. In addition, students will apply these theories to the real world and discuss implications of macroeconomic policy.

LEARNING OUTCOMES

Upon successful completion of the course, students should be able to understand some simple causal relationships between macroeconomic events and the reasons why some macroeconomic policies can or cannot be used to deal with some economic problems.

TEXTBOOK

O. Blanchard, Macroeconomics (Global Edition), 7th edition.

COURSE ASSESSMENT

4 Assignments	20%
Midterm exam	30%
Final exam	50%
Total	100%

Grade	Descriptions
A / A-	Outstanding/Generally outstanding performance on all learning outcomes.
B+ / B / B-	Substantial performance on all learning outcomes, OR high performance on some learning outcomes which compensates for less satisfactory performance on others, resulting in overall substantial performance.
C+ / C / C-	Satisfactory performance on the majority of learning outcomes, possibly with a few weaknesses.
D+ / D	Barely satisfactory performance on a number of learning outcomes
F	Unsatisfactory performance on a number of learning outcomes, OR failure to meet specified assessment requirements.

Midterm: in-class, Tuesday Feb. 26. Please let me know *as soon as possible* if you cannot make this time.

Final: To be determined. The final exam will be a centralized course examination and the date will be set some time during the semester. The examination period designated by the Registration and Examination Section (RES) is April 25 to May 11.

Assignments are due at the end of class. If you cannot submit it in class, you can put it into my assignment box, but the same deadline applies. Late submissions before 10am the next day are discounted by 50%. Late submissions thereafter receive zero credit.

Assignments are graded "check plus", "check", and "check minus". When determining course grades, the homework is recorded as a 100% for "check plus", a 67% for "check", a 33% for "check minus", and 0% if not submitted.

Re-grade policy: If you appeal to re-grade your midterm, you should submit your entire answer key and attach a sheet explaining which question(s) and the reason(s). The deadline to submit any re-grade is within one week after the graded exam is distributed.

Academic honesty: The University has a zero-tolerance policy on cheating and plagiarism. Violations can lead to disciplinary actions including the termination of studies at the University. Please refer to the University's online guide on academic honesty for further information: <http://www.cuhk.edu.hk/policy/academichonesty/>

Course Outline and Reading List

Week	Dates	Topic	Readings
1	Jan. 8-10	Introduction, Macroeconomic variables	Ch. 1
2	Jan. 15-17	Macroeconomic variables, Short Run	Ch. 2, 3
3	Jan. 22-24	Short Run, Financial markets	Ch. 3, 4
4	Jan. 29-31	Financial markets PS 1 due on Jan. 29	Ch. 4, 5
5	Feb. 5-7	No class (Chinese New Year)	
6	Feb. 12-14	Goods and financial markets, Financial crises PS 2 due on Feb. 14	Ch. 5, 6
7	Feb. 19-21	Financial crises, Review	Ch. 6
8	Feb. 26-28	Midterm on Feb. 26 Labor market	Ch. 7
9	Mar. 5-7	Labor market, Phillips Curve	Ch. 7, 8
10	Mar. 12-14	Phillips Curve, Facts of growth	Ch. 8, 10
11	Mar. 19-21	Saving, capital accumulation, and output PS 3 due on Mar. 19	Ch. 11
12	Mar. 26-28	Technological progress and growth	Ch. 12-13
13	Apr. 2-4	No class (Reading week)	
14	Apr. 9-11	International macroeconomics PS 4 due on Apr. 11	
15	Apr. 16-18	International trade, Review	