NANYANG TECHNOLOGICAL UNIVERSITY
SCHOOL OF SOCIAL SCIENCES
AY23-24 SEMESTER 2

HE 2002 MACROECONOMICS II

Instructors: Asst Prof Ye Guangzhi
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Lecture Time &
Physical Location: Tuesday 9:30 am – 11:20 am LT24

Course Description and Scope

Macroeconomics is the study of the economy as a system. While microeconomics is focused on the choices of an individual household or firm and interactions in a particular market, macroeconomics examines the whole economy and is therefore concerned with aggregates. The demands of all the individual consumers and the supply provided by all individual firms are aggregated together into a whole. The role of the government and the financial markets in the economy also become much clearer, as do the effects of international trade and financial transactions. Macroeconomics makes it possible to examine certain questions which relate to the whole economy, and which are difficult to answer if we just focus on any individual market. Issues such as unemployment, inflation and the business cycle can be studied much more effectively using the tools of macroeconomic analysis and these and other issues will be covered in the subject.

Course Content

Week	Content	Readings
1 16 Jan	Lecture 1: The Goods Market	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 3
2 23 Jan	Lecture 2: The Financial Market	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 4
3 30 Jan	Lecture 3: Goods and Financial Markets: The IS-LM Model	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition

		Chapter 5
4 6 Feb	Undergraduate Seminar I (9:30 am to 10:20 am) "Cross-Country Income Differences" Prof Cynthia Jing Wu (University of Notre Dame) Lecture 4 (Part I): Financial Markets II: The Extended IS-LM Model	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 6
5 13 Feb	Lecture 4 (Part II): Financial Markets II: The Extended IS-LM Model	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 6
6 20 Feb	Undergraduate Seminar II (9:30 am to 10:20 am) "Government Debt Dynamics" Prof Cui Wei (University College London) Lecture 5: The Labor Market (10:30 am to 11:20 am)	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 7
7 27 Feb	Lecture 6: The Phillips Curve, the Natural Rate of Unemployment, and Inflation	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 8
7 29 Feb	**Quiz 1**	**Thursday, Feb 29st , 6:30 pm - 7:30 pm**
	Recess Week	
8 12 Mar	Lecture 7: From the Short to the Medium Run: The IS-LM-PC Model	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 9
9 19 Mar	Lecture 8: Economic growth (I)	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 10 and 11
10 26 Mar	Lecture 9: Economic Growth (II)	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 12
11 2 Apr	Lecture 10: Economic Growth (III)	Olivier Blanchard, Macroeconomics, Global

		Edition, 8th Edition Chapter 13
12 9 Apr	Lecture 11: Expectations in Financial Market	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 14
13 16 Apr	Lecture 12: Expectations, Output and Policy	Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition Chapter 16
	Quiz 2	Tuesday, Apr 2nd, 9:30am - 10:30am
	Final Test	Tuesday, Apr 23rd, 9:30am - 11:30am

Basic Text

Olivier Blanchard, Macroeconomics, Global Edition, 8th Edition

https://ntu-sp.primo.exlibrisgroup.com/permalink/65NTU_INST/g52r33/alma991016796550105146

Study Advice

Economics as a subject, possibly more than others, emphasizes understanding above rote learning (learning by heart). It is very difficult (if not impossible) to do well in economics examinations simply by rote learning. A much better strategy is to try to gain a good understanding of the concepts and the models. Although this may involve more work in the short term, the final outcome will be much better, and the examination much easier. For example, many of the models we will cover can be summarized in a single graph or set of equations. You will need to be able to use these graphs to demonstrate the effects of changes in the economic environment to which the model relates. This is very difficult to do well through memorization, but if you understand why the different lines of the graph are drawn in that way or what a particular equation represents, then adjusting the graph or modifying the equations will become a relatively simple and straightforward exercise.

The lecture slides and textbook give a good explanation of all concepts and use examples to make the new concepts intuitive. You are required to really master the lecture slides and the textbook and more challenging elements. If there are sections which are difficult to understand at first, you may find that reading these through several times is very helpful. In certain places, the lecture slides will also seek to extend the textbook if there are areas where it does not go far enough. Although you will find the textbook approach of starting at a fairly basic level very useful, you should expect the examination to be quite rigorous. For example, examination questions are likely to be similar to the 'hard' questions in the review questions at the end of each chapter. In this way, we hope to help you really lay a firm foundation of understanding in economics, and at the same time demonstrate the high standard that is expected of you.

You are expected to complete all assigned readings and activities, attend all lecture and tutorial classes punctually, and take all scheduled tests by due dates. You are expected to take responsibility to follow

up with course slides, and course related announcements for lecture/tutorial sessions you have missed. You are expected to participate in all tutorial discussions and activities.

Use of Mathematics

Economic models can be expressed in various ways, in words, in diagrams and in equations. Although this course mainly uses diagrammatic representations accompanied by words, simple equations can also be a concise way of expressing an economic model, and you will need to become familiar with this approach. At this stage, the mathematics involved will be limited to simple algebra and elementary calculus. Economics is becoming an increasingly technical subject and, although the level of mathematics required for this course is quite basic, we hope that you will become confident in taking a mathematical approach to analyzing economic issues.

Make-up Quiz/Test

Student who is absence on any of the quiz/test day due to valid reason, such as medical leave, compassionate leave etc., he/she must send an email, together with the short leave of absence application form and supporting document to the instructor to request for the make-up quiz/test within 2 days after the quiz/test date. The make-up quiz/test will be scheduled within 7 calendar days after the quiz/test date.

There will be only 1 make-up quiz/test for each quiz/test and if student failed to attend the make-up quiz/test will be given zero marks for the specific quiz/test.

Student must obtain their instructor's email approval within 2 days after the quiz/test and send it together with their short leave application form and supporting document to SSS UG via email at sss-ug@ntu.edu.sg within 7 calendar days from the medical leave date.

Vevox App

If you have not done so for other courses, please download Vevox app into your smart phone or other electronic devices. We may do random polling during the lecture time.

Lecture Recording

For this semester, SSS UG office have instructed IT office to make all lecture recordings private, due to decrease of students attending lecture physically. The lecture will still be recorded automatically every week, but if you need to watch it, please approach me with valid reasons.

Method of Instruction

Lectures   2 hours per week, commences in Week 1
Tutorials   1 hours per week, commences in Week 2

Course Assessment

The structure of the course assessment is as follow:

Assessment Component	Weightage (%)
Quiz 1 (Week 7)	20
Quiz 2	20
Course Participation	10
Final Test/Examination	50
Total	100

Physical Tutorials

All tutorials will be conducted physically at different tutorial rooms. Swapping of tutorials is strictly not allowed.

T1, T5, T6, T7, T8: Asst Prof Ye Guangzhi
T2, T3, T4: Ms Kokas Deeksha

Academic Integrity

Good academic work depends on honesty and ethical behaviour. The quality of your work as a student relies on adhering to the principles of academic integrity and to the NTU Honour Code, a set of values shared by the whole university community. Truth, Trust and Justice are at the core of NTUs shared values.

As a student, it is important that you recognize your responsibilities in understanding and applying the principles of academic integrity in all the work you do at NTU. Not knowing what is involved in maintaining academic integrity does not excuse academic dishonesty. You need to actively equip yourself with strategies to avoid all forms of academic dishonesty, including plagiarism, academic fraud, collusion and cheating. If you are uncertain of the definitions of any of these terms, you should go to the academic integrity website for more information. Consult your instructor(s) if you need any clarification about the requirements of academic integrity in the course.