

School of Economics and Finance

ECON 403
ADVANCED MACROECONOMIC THEORY B

Trimester Two 2011

COURSE OUTLINE

Names and Contact Details

The course coordinator is: Associate Professor Christoph Thoenissen
Room RH 210 in Rutherford House, extn: 6855
Email: christoph.thoenissen@vuw.ac.nz

Contact is best initiated by email or through making an appointment.

Lecturer: Adjunct Professor, Dr John McDermott
Email: john.mcdermott@vuw.ac.nz
Room: RH304, extn: 7515

Trimester Dates

Teaching Period: Monday 11 July – Friday 14 October

Study Period: Monday 17 October – Thursday 20 October

Examination Period: Friday 21 October – Saturday 12 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 22 July 2011.
2. The standard last date for withdrawal from this course is Friday 23 September 2011. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation

The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Fridays 09:30 – 11:20am RWW 128.

In weeks 7 – 12, it may be necessary from time to time to start at 08:30, this will be announced in class before hand and through Blackboard.

Course Content

The **overall objective** of the two Advanced Macroeconomic Theory courses **ECON 402 and ECON 403** is to provide an in depth understanding of modern macroeconomic theory. ECON 402 focuses on developments in New Classical and Real Business Cycle macroeconomics, while the emphasis in ECON 403 is on Open economy business cycle models as well as New

Keynesian macroeconomics and its implications for Dynamic Stochastic General equilibrium (DSGE) models.

Course Learning Objectives

By the end of this course students should be able to

1. demonstrate a comprehensive knowledge of building and analysing open economy business cycle models;
2. demonstrate a comprehensive knowledge of the role of New Keynesian macroeconomic ideas and theories in modern macroeconomic thinking and macroeconomic modelling;
2. explain the important sectoral equations and building-blocks of small New Keynesian open economy macroeconomic models
3. describe how key New Keynesian macroeconomic relations are specified within DSGE models
4. identify and appreciate how these models are estimated and simulated
5. undertake supervised research work on a chosen topic

Course Delivery

This course is lecture based.

Expected Workload

ECON 403 is a 15-point course, and on the basis of VUW having designated one point typically equates to 10 hours of work, the expected workload would total 150 hours. If that workload were spread over 12 weeks, hours expected would average around 12.5 hours per week. This would involve attending classes (2 lecture hours per week), plus reading, studying and completing assignments for approximately 10.5 hours per week. The 10.5 hours would of course vary for individual students, depending on the student's previous knowledge and understanding, and the final grade at Honours level to which the student aspires.

Readings

Reading materials will be assigned in class and posted on Blackboard.

Assessment Requirements

For assessment purposes, you are required to sit the final examination in the Trimester Two final examination period, and to complete coursework requirements. The coursework consists of two written assignments to be assigned by the lecturer. Unlike the situation that exists in undergraduate papers, your final grade will be determined on the basis of your overall performance in the Honours programme. However, as a guide to the allocation of your efforts, the assessment in ECON 403 will be based on:

- 20% for the first assignment, due no later than **Monday 22 August**;
- 20% for the second assignments; and
- 60% for the final two-hour examination

Quality Assurance Note

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

The final examination for this course will be scheduled at some time during the period from Friday 21 October – Saturday 12 November.

Penalties

Coursework submitted late will not be graded.

Mandatory Course Requirements

Mandatory course requirements will be satisfied if all assessment requirements are completed.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Communication of Additional Information

Additional information or information on changes will be conveyed to students via Blackboard or email to all class members.

Use of Turnitin (if applicable)

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

For the following important information follow the links provided:

Academic Integrity and Plagiarism

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

General University Policies and Statutes

Find key dates, explanations of grades and other useful information at

www.victoria.ac.nz/home/study

Find out about academic progress and restricted enrolment at

<http://www.victoria.ac.nz/home/study/academic-progress.aspx>

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at

<http://www.victoria.ac.nz/home/study/calendar.aspx> (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at

www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

<http://www.victoria.ac.nz/fca/studenthelp/>

Te Putahi Atawhai

Maori and Pacific Mentoring Programme

http://www.victoria.ac.nz/st_services/tpa/index.aspx