

## MMPE 502:MACROECONOMICS IN CONTEXT

Trimester 2, 2014

### COURSE OUTLINE

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#### **Names and Contact Details**

Course Coordinator/lecturer: Professor Ilan Noy (pronounced ee-lan)  
Office: room 201 Rutherford House, Pipitea Campus  
Email: [ilan.noy@vuw.ac.nz](mailto:ilan.noy@vuw.ac.nz)  
Office hours: By appointment  
(Please contact me by email to arrange an appointment)

Course Administrator: Debbie Turner room 321, Rutherford House  
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Ph: 463 6386

#### **Trimester Dates**

Teaching period: Monday 14 July - Friday 17 October  
Study period: Monday 20 October - Thursday 23 October  
Examination Period: Friday 24 October - Saturday 15 November (inclusive)

#### **Withdrawal from Course**

Your fees will be refunded if you withdraw from this course on or before Friday, July 25th 2014. The standard last date for withdrawal from this course is Friday September 26<sup>th</sup>. 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**

Teaching Period: four on day blocks are scheduled: Sunday 3 August, Sunday 17 August, Friday 5 September, Friday 19 September. Attendance for all sessions of the blocks is compulsory unless otherwise indicated. The schedule for a review session and an examination will be decided later (with input from enrolled students).

#### **Expected Workload**

Total number of hours of work expected from students is around 200.

## **Prescription**

Aggregate economic analysis and its implementation in monetary and fiscal policy, using workhorse frameworks such as the AS/AD model and extensions. The course addresses the roles of government and central bank, Keynesian versus neoclassical policy prescriptions and debates in local and global contexts; mechanisms and models of economic stabilisation, growth and development.

## **Course Learning Objectives**

1. Understand macroeconomic modelling in its different flavours.
2. Analyse short-term economic fluctuations and their explanations based on real and nominal shocks.
3. Evaluate the mechanisms and consequences of monetary and fiscal policy.
4. Understand the role of large catastrophic shocks on the macro-economy.
5. Appraise macro-economic policy interventions and their efficacy.

## **Course Content**

The course will be divided into 8 modules, two of which will be taught in each day-long session.

Likely topics to be covered:

- Introduction and the history of Macroeconomic Thought in context
- Representative agents and over-lapping generations modelling
- Sticky prices (nominal rigidity) and monetary policies
- International macro
- Labour markets and unemployment
- Fiscal policy
- Quantitative modelling
- Crises and disasters

## **Readings**

*Advanced Macroeconomics* by David Romer (McGraw Hill, 4<sup>th</sup> edition, 2012).

Other readings as assigned and posted on Blackboard.

## **Assessment**

From Trimester 1, 2014, a revised Assessment Handbook will apply to all VUW courses: see <http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

In particular, there will be a new grade scheme, in which the A+ range will be 90-100% and 50-54% will be a C-.

### **Assessment for this course:**

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| 1. Assignment #1 (due date: session 2) | 15% |
| 2. Assignment #2 (due date: session 3) | 15% |
| 3. Assignment #3 (due date: session 4) | 15% |
| 4. Final examination                   | 55% |

## **Penalties**

I expect that students will attend all sessions and participate in class discussions.

## **Use of Turnitin**

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. A copy of submitted materials will be retained 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.

## **Mandatory Course Requirements**

All assignments are mandatory.

If you cannot complete an assignment or sit a test or examination, refer to [www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat](http://www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat)

## **Communication of Additional Information**

I will contact you via email through the blackboard system. It is your responsibility to make sure you receive these emails in an up-to-date email address. If you need to contact me, do it exclusively by email (if the VUW email system is down, you can contact me at [noy@hawaii.edu](mailto:noy@hawaii.edu)).

## **Student feedback**

Student feedback on University courses may be found at [www.cad.vuw.ac.nz/feedback/feedback\\_display.php](http://www.cad.vuw.ac.nz/feedback/feedback_display.php)

## **Link to general information**

For general information about course-related matters, go to <http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

## **Note to Students**

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 academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

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