

School of Economics and Finance

MMPE502 MACROECONOMICS IN CONTEXT

Trimester 2, 2015

COURSE OUTLINE

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
Office hours: email to arrange an appointment

Course Administrator: Debbie Turner
Office: room 321, Rutherford House, Pipitea Campus
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Trimester Dates

Teaching Period: Monday 13th July – Friday 2nd November
Study Period: Monday 19th October – Thursday 22nd October
Examination Period: Friday 23rd October – Saturday 14th November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 24th July 2015.
2. The standard last date for withdrawal from this course is Friday 25th September. 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' form including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks or [online](#).

Class Times and Room Numbers

Four one day blocks are scheduled: Saturday 18 July, Friday 24 July, Monday 19 October, and Monday 9 November. Rooms TBA. Attendance for all sessions of the blocks is compulsory unless otherwise indicated. A review session, if desired, will be scheduled later (with input from 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 (input-output analysis)
- Crises and disasters

Readings

Advanced Macroeconomics by David Romer (McGraw Hill, 4th edition, 2012).

Other readings as assigned and posted on Blackboard.

Assessment

The Assessment Handbook will apply to all VUW courses: see

<http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

If you cannot complete an assignment or sit a test or examination, refer to

www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat

Assessment for this course:

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| 1. Assignment #1 (due date: 2 August) | 20% |
| 2. Examination for part 1 (from 14 August due 16 August) | 30% |
| 3. Assignment #2 (due date: 1 November) | 20% |
| 4. Examination for part 2 (from 14 November due 15 November) | 30% |

I expect that students will attend all sessions and participate in class discussions. At the margin, consideration will be given to your contribution to class discussion and activities.

Penalties

Late assessment will accrue a penalty of 10% per day for the first three days after the due date. Beyond that they will not be marked, unless the Course Co-ordinator has approved an extension **in advance**.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct.

Mandatory Course Requirements

None.

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

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).

Student feedback

Student feedback on University courses may be found at:

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.
