

School of Economics and Finance

## **ECON402 ADVANCED MACROECONOMIC THEORY A**

Trimester 1, 2016

### **COURSE OUTLINE**

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#### **Prescription**

A review of the major modern approaches to modern macroeconomic theory and open economy macroeconomic modelling. The course covers major basic sectoral theories from an essentially New Classical macroeconomic perspective.

#### **Course Learning Objectives**

1. To provide students with a comprehensive knowledge of modern macroeconomic theory.
2. To develop knowledge in New Classical Macroeconomics.
3. To formulate and solve macroeconomic problems analytically.
4. To generate a general appreciation of how policymakers can use the analysis in practice.

#### **Course Content**

This course introduces theoretic models widely used in modern macroeconomics to examine various positive and normative questions. Starting from simple static models, we gradually develop dynamic stochastic general equilibrium models for studying asset pricing, business cycles and government policy. We will also explore models with explicit microeconomic foundations and provide a brief introduction to New Keynesian macroeconomic models.

#### **Trimester Dates**

Teaching Period: Monday 29th February – Friday 3rd June

Study Period: Monday 6th June – Thursday 9th June

Examination Period: Friday 10th June – Wednesday 29th June (inclusive)

#### **Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before Friday 11<sup>th</sup> March 2016.
2. The standard last date for withdrawal from this course is Friday 13<sup>th</sup> May 2016. 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 or [online](#).

### **Names and Contact Details**

Lecturer: Dr. Jonathan Chiu  
Office: Rutherford House Room 404  
Phone: 04 463 9728  
Email: Jonathan.chiu@vuw.ac.nz  
Office hours: Friday 11:00-12:00 (By appointment)

Guest Lecturer: Dr. Fang Yao (Reserve Bank of New Zealand)

Administrator: Rachel Zhang  
Office: RWW120  
Phone: 463 6418  
Email: Rachel.Zhang@vuw.ac.nz

### **Class Times and Room Numbers**

Monday 9:30-11:20, RWW128  
(Lecture on May 23<sup>rd</sup> will be rescheduled)

### **Course Delivery**

The course is composed of 12 lectures (including a mid-term test)

### **Readings**

A reading list for each topic will be provided.

### **Expected Workload**

Expected workload for this course is 150 hours. 24 hours of lectures, 2 hours of exams and 124 hours of study/work on assignments.

### **Assessment**

The Assessment Handbook will apply to all VUW courses: see  
<http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>

Assessment consists of

1. 70%, the final exam
2. 10%, assignments
3. 20%, mid-term test

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)

### **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 following period:

Friday 10<sup>th</sup> June – Wednesday 29<sup>th</sup> June (inclusive)

### **Penalties**

Coursework submitted late will not be graded.

### **Materials and Equipment**

Non-programmable calculators are required for the final exam.

**Additional Information**

Blackboard and email will be used to communicate information during the course.

**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).

**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.

**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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