

Syllabus
ECO5042 Foundations in Macroeconomics
Prof. Dr. Robert Godby
Winter Semester 2023

Level	Master	
Credits	5 ECTS (together with ECO5041 Microeconomics)	
Student Contact Hours	30 (60 in total together with ECO5041)	
Workload	150 (together with ECO5041): 60 contact hrs + 90 hrs self-study	
Prerequisites	-	
Time	See LSF	
Room	Via Zoom during the first block, onsite during the second block (January), s. LSF	
Start Date	November 30, 2023	
Lecturer(s)	Name	Prof. Dr. Robert Godby
	Office	tba
	Virtual Office	
	Office Hours	To be announced and also by appointment via Zoom online.
	Phone	n.a.
	Email	rgodby@uwo.edu

Summary

Outline of the Course

1. Introduction to macroeconomics
2. Macroeconomic goals and the current global situation
3. The short run: Keynesian demand-side economics and policy implications
4. The medium and long run: Supply-side economics and policy implications
5. Monetary theory and the monetary policy of the European Central Bank

Learning Objectives:

By the end of the course, participants should be capable of:

- Understanding the importance and consequences of macroeconomic conditions for the economy as well as for business decisions
- Interpreting and applying the basics of macroeconomics models and theories to real world economies.
- Applying medium and long-run neoclassical and short-run Keynesian macroeconomic theory to current economic topics
- Explaining major determinants of growth, employment, and price stability.
- Understanding the causes and consequences of low growth rates, unemployment and inflation on business and the economy
- Interpreting different short- and long-run monetary and fiscal policies to overcome macroeconomic problems and having a clear idea how these policies can affect the economy and business

Course Intended Learning Outcomes and their Contribution to Program Intended Learning Outcomes / Program Goals

Program Intended Learning Outcomes		Course Intended Learning Outcomes	Assessment Method
After completion of the program the students will be able...		After completion of the course the students will be able...	Written Exam
			100%
			Individual
2 Creative Problem Solving Skills in a Complex Business Environment			
2.1	... to identify & classify problems.	To explain differences between consideration of policy in the short and long run.	X
2.2	... to analyze problems.	To analyze data based on macroeconomic concepts and their limits, short-and long-term theories of the macro-economic process and describe implications for policy and business.	X
2.3	... to creatively solve problems.	To perform critical analysis of the causes of macroeconomic issues and their implications.	X
2.4	... to explain problems and their solutions in a comprehensive manner.	To discuss competing theories regarding policy recommendations and conclusions.	X
3 Applied research skills			
3.1	... to know the research and analysis methods important in his/her field of study.	Demonstrate understanding of competing theories and perspectives in macroeconomics.	X
3.2	... to appropriately apply the research and analysis methods.	To apply short and long run analyses correctly to economic policy problems.	X
3.3	... to obtain innovative results using relevant research methods.	To explain and interpret the results and their implications for policy, business and individuals.	X
5 Management of the challenges of global sustainability and awareness for social and corporate responsibilities			
5.1	... to have a sound basic knowledge of sustainability issues.	To discuss limitations of economic GDP/GNP measures and the benefits and limitations of alternative approaches for welfare assessment (Human Development Approach etc.)	X

Teaching and Learning Approach

Lecture presentations will be made available by email in advance. Additional basic reading and viewing recorded lectures in advance is expected and necessary, as described in the course outline. The class is assumed to be interactive - students are encouraged to bring relevant articles or items for discussion when the applications apply to topics to be discussed.

I may ask for presentations from groups of students throughout the course. Expectations and content will be discussed in class when we meet in the first class in January.

The final written exam will take place at a time and place to be announced. Answers will be used to assess your knowledge of the material and that you are able to apply concepts learned to real world economic and business issues.

Literature and Course Materials

The course relies on custom lecture presentations prepared for the class, however the following text link may also serve as a supplementary source:

Supplementary Texts:

A basic text is (I use an older text as it is easily found and cheap!)

Mankiw, G. N.; Taylor, M. P. (2006): *Macroeconomics*, W.H.Freeman & Co Ltd; revised European edition. Later editions are also available.

American editions of the Mankiw text are also useful though they do not include description of European macroeconomic institutions.

For example:

Mankiw, G. N. (2010): *Macroeconomics*, 7th edition, Worth Publishers. Later editions are also available.

The “Core” Text:

For this course, and because we are online and have more time than in past years, the following online resource will also serve as a basic text:

The Core Team (2020) *The Economy*, <https://core-econ.org/the-economy/index.html>

This is a basic economics text that includes both micro and macroeconomics. Since our course is most concerned with macroeconomics, we will focus on only some chapters. The primary advantages of this book are (i) it's free! (ii) it's international in scope and content and is therefore a good source of international information and comparison, and (iii) the perspective of this book is primarily an applied one that focuses on concept and application, with less focus on formal models. It is well-suited for an MBA class where students will be taking the material to apply it to business problems as opposed to continued study of economics at more advanced levels.

Lectures:

Prepared PowerPoint materials that serve as a sort of text will be made available on Moodle. Additionally, lectures will be recorded and available on Zoom. In addition, some content will be recorded in advance and links will be sent to the students to view this content. \

Assessment

Preparations active participation in group discussions are mandatory to pass the course. Grading is normally based upon the quality of your answers in the written exam, however, participation and presentation quality will be taken in to consideration and your exam grade may be adjusted by +/- 0.5.

For Microeconomics and Macroeconomics there is a joint 120 min exam which must be passed in total. In case of failure the exam must also be repeated in total.

Schedule

Online classes in 2023:

Thursday Nov 30	17:15-20:30
Thursday Dec 7	17:15-18:45
Thursday Dec 14	17:15-20:30
Wednesday Dec 20	17:15-20:30

In person classes 2024:

Tuesday Jan 9	15.30 - 18.45
Thursday Jan 11	11.30 - 17.00
Friday Jan 12	11.30 - 17.00

Code of Conduct for online Teaching

[Link to the Code of Conduct for online Teaching](#)

Teaching Philosophy

My main goal is to introduce you to macroeconomics and to make clear why this topic is so relevant to business people and policymakers, or just out of esoteric interest. The course is broken into two parts: Part I - basic macro theory and measurement, and Part II - Business cycles, growth and policy. Each covers the relevant theory. After the first class as we realize what students know and what they don't I will tailor the course to meet the needs and talents of who we have in the class. I expect to use some of the ideas we cover to be the basis of the student-led discussions. I will choose articles or topics for discussions and students will be expected to have read the assigned materials and have a level of familiarity with them that allows constructive discussions about the topics. Please do not hesitate to contact me as early as possible if you have any questions or problems.