

COURSE OUTLINE

BSP2701 GLOBAL ECONOMY

<i>Lecturer</i>	<i>Office</i>	<i>Phone</i>	<i>Email</i>
Xu Le	Biz 1, 6-2	6516 7606	bizxl@nus.edu.sg

Office Hours

All teaching staff will be available for consultations by appointments throughout the semester. Extended consultation hours will be fixed and announced prior to the final exam. In the meantime, all teaching staff will be available for discussions before and after lectures and tutorials and so please feel free to approach to the lecturer and tutors for any query.

COURSE OVERVIEW

This course provides students with an introduction to macroeconomics and international economics. It aims to develop the basic analytical tools to understand the behaviour of the economy, both in the short run and in the long run. We will focus on the economic growth, the aggregate behaviour of consumers and producers, the dynamics of prices and unemployment, the effectiveness of fiscal and monetary policies, and exchange rates. We will also apply the analytical framework to real-world events.

KEY LEARNING OUTCOMES

On successful completion of the module, students should be able to:

- Explain three GDP approaches and how growth of the economy is determined and measured.
- Describe business cycles and explained macro outcomes using AD/AS models.
- Define and calculate unemployment rate and inflation rate, and describe different types of unemployment and inflation.
- Quantify the impact of fiscal policy on GDP of a country with the Keynesian model.
- Define money and money demand curve and its function.
- Explain how the central bank manipulates the supply of Money to target the interest rate.
- Explain the impact of monetary policy on macro outcomes using Keynesian model.
- Explain how international transactions are recorded in Balance of Payments.
- Explain how the exchange rate is determined in the forex market.
- Explain the influence of fiscal policy and monetary policy on exchange rate system.

ASSESSMENT

1. Assignments & Presentation: 30%
2. On-line Quiz 1: 20%
3. On-line Quiz 2: 20 %
4. Final Test: 30 %

TEACHING/LEARNING VEHICLES

1. Lecture Notes prepared by the instructors

The lecture slides will be available at LumiNUS before each class meeting. Students are expected to visit the site regularly, download and preview the lecture slides and the relevant textbook chapters before coming to class.

2. Textbooks

- Main:
Essentials of Economics, 11th ed., Schiller R. and Gebhardt K., 2019. McGraw-Hill
- Supplementary:
Principles of Macroeconomics, 7th ed., Frank R., Bernake B, Antonovics K., and Heffetz O., 2018.

3. Optional Readings

Students are also encouraged to read articles in *The Economist*.

4. Tutorials

Tutorials are about problem set discussions, presentations, and general Q&A. Details on tutorial activities will be briefed by the tutors during the first tutorial session.

5. Final Test

The final test covers all the lecture materials throughout the course.

TENTATIVE SCHEDULE

Week	Lecture	Textbook Chapters (SG)	Tutorial Activities
Week 1	National Income Account; Circular Flow of Income; AD/AS Models	10, 11	No Tutorials
Week 2	Fiscal Policies; Keynesian Income Expenditure Model	12	No Tutorials

Week 3	Money and Monetary Policies;	13, 14	Online Quiz 1 Due
Week 4	Economic Growth; Determinants of Productivity	15	
Week 5	International Economy I	17	Online Quiz 2 Due
Week 6	International Economy II	17	
Recess Week			
Week 7 Final Test (TBA)			