

BSP2701 GLOBAL ECONOMY

INSTRUCTOR

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COURSE DESCRIPTION

This e-learning 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

Assignments	30%
Quiz	20%
Final Test	50%

The above assessments will be digitally administered under Exemplify.

For more information, please refer to <https://wiki.nus.edu.sg/display/DA/Student>

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.

Pre-recorded lessons will be available in LumiNUS every week. Lectures are open to all students for general Q&A and consultation. More details will be provided in LumiNUS. Please refer to LumiNUS Conferencing- Zoom platform for lecture consultation schedule.

2. Textbooks

Main:

Essentials of Economics, 11th ed., Schiller R. and Gebhardt K., 2019. McGraw-Hill

Supplementary:

Principles of Macroeconomics, 7th ed., Frank R., Bernanke B, Antonovics K., and Heffetz O., 2018.

3. Optional Readings

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

4. Tutorials

Pre-recorded discussion topics and solutions will be available in LumiNUS prior to the start of tutorial week. Tutorials are open to all students for general Q&A and consultation. More information will be provided during the first tutorial video upload in Week 2.

Please refer to LumiNUS Conferencing- Zoom platform for tutorial consultation schedule.

5. Final Test

The final test covers all materials throughout the course.

TENTATIVE SCHEDULE

Week 1	National Income Account; Circular Flow of Income; AD/AS Models	No Tutorials
Week 2	Fiscal Policies; Keynesian Income Expenditure Model	No Tutorials
Week 3	Money and Monetary Policies;	Assignment 1 Due
Week 4	Economic Growth: Determinants of Productivity	
Week 5	Economic Growth: Saving, Investment, Poverty and Inflation	Quiz Due
Week 6	International Economy	Assignment 2 Due
Recess Week	No Lecture/No Tutorial	
Week 7	Final Test	