

Course Outline

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| Course Code | : BSP2701 |
| Course Title | : Global Economy |
| Semester | : Semester 2, Academic Year 2023/24 |
| Faculty | : Dr. Xu Le and Daniel Soh |
| Department | : Strategy & Policy |
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Overview

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

Course Objectives

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

- Explain three approaches of GDP calculations 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.

General Guide & Reading

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.

Economics, 11th ed., David Begg, Gianluigi Vernasca, Stanley Fischer, Rudiger Dornbusch, McGraw-Hill.

Assessment

| Assessment Components | Weightage |
|-----------------------|-----------|
| Assignment 1 | 25% |
| Assignment 2 | 25% |

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| Final Exam | 50% |
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Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is “the practice of taking someone else’s work or ideas and passing them off as one’ own” (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubt, you should consult your instructor.

Additional guidance is available at:

- <http://www.nus.edu.sg/registrar/administrative-policies-procedures/acceptance-record#NUSCodeofStudentConduct>
- <http://nus.edu.sg/osa/resources/code-of-student-conduct>

About me . . .

Dr. Xu Le is a lecturer at the Department of Strategy and Policy at the National University of Singapore (NUS) Business School. She is scholar of regional and global economy with over ten years of research and educational experience. She received her PhD in Economics from the University of Manchester and her research interests include microeconomics, macroeconomics and game theory. She serves as the coordinator of the Business Economics specialization in the department and conducts lectures on strategy of economics, global economy and managerial economics. She has also served as an economic consultant to some business entities in China and has rich knowledge about China’s economy and its business environment.

As an Economics expert, she actively comments on current affairs and has authored numerous opinion pieces for various publications including ThinkChina, Lianhe Zaobao, The Business Times, and The Strait Times. Due to her expertise in the field, she is frequently invited to share her insights on economic topics across various media platforms such as Chanel 8, City 958 and Money FM.

Schedule and Outline

| Lesson/ Week | Topic | Activity |
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| 1 | National Income Accounting; AD/AS Models | No Tutorials |
| 2 | Fiscal Policies; Keynesian Income/ Expenditure Model | No Tutorials |

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| 3 | Money; Money Demand and Money Supply; Monetary Policies | Assignment 1 due and tutorial starts. |
| 4 | International Economy: Determinants of Exchange Rate | |
| 5 | FX Policies; Intervention and Implications | |
| 6 | Economic Growth: Determinants of Productivity | Assignment 2 due |
| Recess Week | | |
| 7 | Final Test | |