

**Macao Polytechnic Institute**  
**School of Business**  
**Bachelor of Accounting**

**Module Outline**

**Academic Year 2020/2021 Semester 2**

<b>Learning Module</b>	Macroeconomics			<b>Class Code</b>	ECON1110-124
<b>Pre-requisite(s)</b>	Nil				
<b>Medium of Instruction</b>	English			<b>Credits</b>	3
<b>Lecture Hours</b>	45 hours	<b>Lab/Practice Hours</b>	0 hour	<b>Total Hours</b>	45 hours
<b>Instructor</b>	Adrian Lao		<b>E-mail</b>	hhlao@ipm.edu.mo	
<b>Office</b>	M548, Meng Tak Building, Main Campus		<b>Telephone</b>	8599-3294	

**Description**

This course provides an introductory examination of macroeconomics. Emphasis will be placed on understanding national and international economic policies. This course will attempt to identify some of the underlying factors of our society's most serious economic problems.

**Learning Outcomes (Course Intended Learning Outcomes, CILOs)**

Upon completion of this course, students should be able to

1. examine the costs and benefits of trade;
2. use the total income and the overall price level to analyze a nation's economic development;
3. analyze the determinants that affect the main real economic variables;
4. relate the monetary system to the inflation rate and other economic variables;
5. apply an economic model to explain the factors that affect the trade balance and the real exchange rate;
6. evaluate the short-run effects of monetary and fiscal policy.

## Content

Topic	Chapter	Duration
<b>Interdependence and the Gains from Trade</b> <ul style="list-style-type: none"> <li>- A Parable for the Modern Economy</li> <li>- Comparative Advantage: The Driving Force of Specialization</li> <li>- Applications of Comparative Advantage</li> <li>- Conclusion</li> </ul>	3	3 hours
<b>Application: International Trade</b> <ul style="list-style-type: none"> <li>- The Determinants of Trade</li> <li>- The Winners and Losers from Trade</li> <li>- The Arguments for Restricting Trade</li> <li>- Conclusion</li> </ul>	9	3 hours
<b>Measuring a Nation's Income</b> <ul style="list-style-type: none"> <li>- The Economy's Income and Expenditure</li> <li>- The Measurement of GDP</li> <li>- The Components of GDP</li> <li>- Real versus Nominal GDP</li> <li>- Is GDP a Good Measure of Economic Well-Being?</li> <li>- Conclusion</li> </ul>	23	3 hours
<b>Measuring the Cost of Living</b> <ul style="list-style-type: none"> <li>- The Consumer Price Index</li> <li>- Correcting Economic Variables for the Effects of Inflation</li> <li>- Conclusion</li> </ul>	24	3 hours
<b>Production and Growth</b> <ul style="list-style-type: none"> <li>- Economic Growth around the World</li> <li>- Productivity: Its Role and Determinants</li> </ul>	25	1 hour
<b>Saving, Investment, and the Financial System</b> <ul style="list-style-type: none"> <li>- Financial Institutions in the U.S. Economy</li> <li>- Saving and Investment in the National Income Accounts</li> <li>- The Market for Loanable Funds</li> <li>- Conclusion</li> </ul>	26	2 hours
<b>Unemployment</b> <ul style="list-style-type: none"> <li>- Identifying Unemployment</li> <li>- Job Search</li> <li>- Minimum-Wage Laws</li> <li>- Unions and Collective Bargaining</li> <li>- The Theory of Efficiency Wages</li> <li>- Conclusion</li> </ul>	28	3 hours

<b>The Monetary System</b> - The Meaning of Money - The Federal Reserve System - Banks and the Money Supply - The Fed's Tools of Monetary Control - Conclusion	29	3 hours
<b>Money Growth and Inflation</b> - The Classical Theory of Inflation - The Costs of Inflation - Conclusion	30	3 hours
<b>Open-Economy Macroeconomics: Basic Concepts</b> - The International Flows of Goods and Capital - The Prices for International Transactions: Real and Nominal Exchange Rates - A First Theory of Exchange-Rate Determination: Purchasing-Power Parity - Conclusion	31	3 hours
<b><i>Revision &amp; Mid-term Test (Chapters 3, 9, 23, 24, 25, 26 and 28)</i></b>		3 hours
<b>A Macroeconomic Theory of the Open Economy</b> - Supply and Demand for Loanable Funds for Foreign-Currency Exchange - Equilibrium in the Open Economy - How Policies and Events Affect an Open Economy - Conclusion	32	3 hours
<b>Aggregate Demand and Aggregate Supply</b> - The Key Facts about Economic Fluctuations - Explaining Short-Run Economic Fluctuations - The Aggregate-Demand Curve - The Aggregate-Supply Curve - Two Causes of Economic Fluctuations - Conclusion	33	4.5 hours
<b>The Influence of Monetary and Fiscal Policy On Aggregate Demand</b> - How Monetary Policy Influences Aggregate Demand - How Fiscal Policy Influences Aggregate Demand - Using Policy to Stabilize the Economy - Conclusion	34	4.5 hours
<b><i>Final Exam (All Chapters)</i></b>		3 hours
<b><i>Total</i></b>		<b><i>45 hours</i></b>

## Teaching Method

	<b>CILOs</b>	<b>Description</b>
1.	CILOs 1-6	Interactive Lectures <ul style="list-style-type: none"><li>• Lectures: In-depth coverage of economic theories and applications is presented with slides and other additional illustration materials if necessary.</li><li>• Q&amp;As: Time is allowed to raise questions from both sides (instructor and students).</li></ul>
2.	CILOs 1-6	In-Class Discussions and Exercises <ul style="list-style-type: none"><li>• In-class discussions and exercises will be used to enhance students' understanding of both economic theories and applications.</li></ul>

## Attendance

Attendance requirements are governed by the “Academic Regulations Governing Bachelor’s Degree Programmes of Macao Polytechnic Institute”.

## Assessment

	<b>CILOs</b>	<b>Item</b>	<b>Percentage</b>
1.	CILOs 1-6	Q&As	-
2.	CILOs 1-5	Assignment(s)/Quiz(zes)	25%
3.	CILOs 1-4	Mid-Term Test	25%
4.	CILOs 1-6	Final Exam	50%
		Total	100%

## Plagiarism Policy

When a student submits an assignment, he/she has a duty to ensure that his/her assignment has been checked by *Turnitin* software, and the similarity score given by *Turnitin* software cannot be higher than 30%. However, a special case can be determined by the instructor.

## **Teaching Materials**

### **Required Textbook**

Mankiw, N. G. (2020). *Principles of Economics*. 9<sup>th</sup> edition. Cengage Learning.

### **References**

Baumol, William J. and Alan S. Blinder. *Macroeconomics: Principles and Policy*. 12<sup>th</sup> edition. Cengage Learning.

Bernanke, Ben and Robert Frank. *Principles of Macroeconomics*. 5<sup>th</sup> edition. McGraw-Hill.

Case, Karl E., Ray C. Fair and Sharon Oster. *Principles of Macroeconomics*. 11<sup>th</sup> edition. Prentice Hall.

Nordhaus, William D. and Paul A. Samuelson. *Economics*. 19<sup>th</sup> edition. McGraw-Hill.

Taylor, John B. and Akila Weerapana. *Principles of Macroeconomics*. 7<sup>th</sup> edition. Cengage Learning.

<http://www.cengage.com>

*The Economist*

**Alignment of Program Intended Learning Outcomes (PILOs) and Course Intended Learning Outcomes (CILOs)**

PILOs \ CILOs	1	2	3	4	5	6
1. Integrate the contemporary theories, principles of accounting and business disciplines relevant to general business practice.	√	√	√	√	√	√
2. Assess general business scenarios with mathematical and statistical skills.	√	√	√	√	√	√
3. Apply critical thinking and logical analysis skills and techniques to solve business problems.	√	√	√	√	√	√
4. Interpret and analyze accounting information for internal control, planning, performance evaluation, and coordination to continuously improve business process.						
5. Apply accounting or business software for business analysis.						
6. Develop queries to assess management information from database to improve efficiency and effectiveness.						
7. Synthesize the latest requirement of international accounting and auditing standards in preparing financial statements and auditing reports.						
8. Utilize appropriate written and spoken forms to communicate effectively with stakeholders in various cultural environments.						
9. Recommend an appropriate course of action by ethically examining the economic, environmental, political, legal and regulatory contexts of global business practice.	√	√	√	√	√	√
10. Utilize the latest empirical findings and academic studies to support the recommendation of business projects.						