For reference only (Tentative),
will be updated in AY2026/27

Lingnan University
Department of Economics

Course Title	:	Intermediate Macroeconomics
Course Code	:	ECO3202
Recommended Study Year	:	3 and 4
No. of Credits/Term	:	3
Mode of Tuition	:	Lecture-Tutorial
Class Contact Hours	:	2-hour lecture per week 1-hour tutorial per week
Category in Major Prog.	:	Major in Economics/GEB (Required Course)
Discipline	:	Economics
Prerequisite(s)	:	(a) ECO2101 Introduction to Economics, or (b) ECO2104 Introduction to Microeconomics and ECO2105 Introduction to Macroeconomics, or (c) BUS2105 Microeconomics for Business
Co-requisite(s)	:	N/A
Exclusion(s)	:	N/A
Exemption Requirement(s)	:	N/A

Brief Course Description

This course provides a modern convergence for intermediate macroeconomics both in the short run and in the long run. It analyses the issues on economic fluctuations and examines how the macroeconomic policies can be used to stabilise the economy such as reducing unemployment and controlling inflation. It also investigates the theory and empirics of economic growth. Further, this course offers an introduction to open-economy macroeconomics and the microeconomic foundation of macroeconomics.

Aims

Macroeconomics is the study of the economy as a whole. The goal of Macroeconomics is to explain the economic changes that affect many households, firms, and markets all at once. The economic changes to be studied include both short run and long run changes. The course aims to provide students with the tools to understand the economy, through the following approach. First, *Identify* the important areas that we want to learn more about. The focus will be on three aspects: total output (and income), the price level, and resource employment (labor employment). Next, we *measure* them using (i) real GDP, (2) the CPI, and (3) the unemployment rate. Last, we develop *Models (Theories)* to explain why the macroeconomy performs the way it does, both in the short run and in the long run.

Learning Outcomes (LOs)

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Upon completion of the course, successful students should be able to:

1. demonstrate an understanding of the operation of the macro economy in terms of macro-economic principles and models and assess the scope and limitations of theoretical arguments.
2. use graphs and diagrams to describe and ~~to~~ analyse the macro economy, the phenomena of economic growth and fluctuations in output, inflation and unemployment.
3. explain the policy effects on the economy with data and diagrams and implement major macroeconomic policy tools to improve economic performance; and
4. use and analyse actual data to–study how the real economy works and differentiate the performance of the economy in the short run and in the long run.

Indicative Contents

I. The macroeconomy
   Scope and measurement in macroeconomics

II. The economy in the long run
   1. National income and output: production, distribution, and allocation
   2. Money, price, and inflation

III. The economy in the short run
   1. Aggregate demand and aggregate supply in closed economies
      a. The IS/LM approach to the determination of output and interest rate
      b. IS/LM as a theory of aggregate demand
      c. Different theories of aggregate supply
      d. Aggregate demand, aggregate supply, and the determination of output and price with policy analysis
   2. Inflation and unemployment
      a. The Phillips curves and the trade-off between inflation and unemployment
      b. Inflation: costs, effects, and policy option
      c. Unemployment: causes, costs, and policy option
   3. Recent development in the theory of economic fluctuations

IV. The open economies
   1. Open economies in the long run
      a. Capital flows and trade balance
      b. Saving and investment in a small open economy
      c. The determination of exchange rates
   2. Open economies in the short run
      a. The Mundell-Fleming model
      b. The small open economy under floating exchanges rates

c. The small open economy under fixed exchange rates

V. The economy in the very long run
1. Economic growth and growth accounting
2. The accumulation of capital and the Solow growth model
    a. The evolution of capital and the steady states
    b. Changes in the saving rate and economic growth
    c. Changes in the rate of population growth and economic growth
3. Technological progress and endogenous growth theory

Teaching Method

Teaching is based on lectures combined with tutorials. Newspaper cuttings will be discussed in the tutorials to help the students to understand the real society with economic principles and models.

Measurement of Learning Outcomes

1. Students' understanding of the principles and theoretical models of macroeconomics will be assessed in a mid-term test (LOs 1-3).
2. Tutorials discussions are designed to assess student's understanding of lectures and assigned readings. Case discussions on up-to-date headline news with data and diagrams will assess students' understanding and synthesis of knowledge and its application to analyse the current economic situation. Students will be assessed by class discussion and student presentation using case studies (LOs 1-4)
3. A final exam will assess students' overall understanding of the contents covered. Students are required to critically analyse the issues and related policy. Examination questions are composed of multiple-choice and analytical questions. Multiple-choice questions will cover a wide range of topics in order to test students' broad knowledge. Analytical questions are given to test students' deep knowledge on some specific topics. (LOs 2-4)

Assessment

Continuous assessment	:	40%
- Midterm		20%
- Tutorial discussions and presentations		20%
Final examination	:	60%

Good Practices

1. Newspaper articles will be discussed in the tutorials to help the students to understand the real society with economic principles and models.
2. Mid-term test and assignments after marking are returned to students. Instructors and tutors will explain in detail the answers of the assignment and term-test questions in order to strengthen students' analytical abilities.
3. All necessary course materials and lecture notes are uploaded at the course web site and made available to students.

Required/Essential Reading

Mankiw, N. Gregory, *Macroeconomics,* 6th Edition, Worth Publishers, 2007.

Recommended/Supplementary Readings

Abel, A.B., B.S. Bernanke and D. Croushore, *Macroeconomics*, 6th Edition, Addison-Wesley, 2008.

Froyen, R. T., *Macroeconomics: Theories and Policies*, 8 th Edition, Prentice – Hall, 2005.

Gordon, R. J., *Macroeconomics*, 9th edition, Addison – Wesley, 2003.

Williamson, Stephen D., *Macroeconomics*, 2nd edition, Addison-Wesley, 2005.

Useful Macro Websites:

Economic Report of the President (http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=ERP)
Bureau of Economic Analysis (http://www.bea.gov/)
Bureau of Labor Statistics (http://www.bls.gov/)
Economic Time Series Data (http://www.imf.org/external/pubs/ft/weo/2010/02/map/)

Important Notes:

(1) Students are expected to spend a total of 9 hours (i.e. 3 hours of class contact and 6 hours of personal study) per week to achieve the course learning outcomes.
(2) Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is "the presentation of another person's work without proper acknowledgement of the source, including exact phrases, or summarised ideas, or even footnotes/citations, whether protected by copyright or not, as the student's own work". Students are required to strictly follow university regulations governing academic integrity and honesty.
(3) Students are required to submit writing assignment(s) using Turnitin.
(4) To enhance students' understanding of plagiarism, a mini-course "Online Tutorial on Plagiarism Awareness" is available on http://pla.ln.edu.hk/.

(5) Students must adhere to the University's guidelines and practices when using Generative Artificial Intelligence (AI) tools. The official documents "Guidelines for Using GAI Tools at Lingnan University" and "Best Practices for Ethical and Responsible Use of GAI Tools in Course Assessments" can be found here: https://www.ln.edu.hk/tlc/generative-artificial-intelligence/gai-guidelines-best-practices.

Rubric for Tutorial Presentations

Assessment Criteria	Exceeds Expectations/ Outstanding(26-35)	Meets Expectations/ Acceptable (13-25)	Need Improvement (0-12)
The Choice of Presentation Materials	Most pertinent to the course requirement and very enlightening and interesting to the audience of the students	Pertinent to the course requirement and interesting to the audience of the students	Somewhat pertinent to the course requirement and suitable to the audience of the students
Conceptual understanding of subject matter, particularly in raising the questions and in the discussions.	Cover a good range of relevant concepts/ theories Important ideas pertinent to the topic are skillfully applied	Concepts/theories and important ideas pertinent to the topic are accurately used	Concepts/theories and important ideas pertinent to the topic are not accurately used
Integration of sources and evidence	The presentation displays a high level of relevance between the student's article and the concepts covered in class.	The presentation displays a moderate level of relevance between the student's article and the concepts covered in class.	The presentation does not establish that the article is relevant to concepts covered in class.
Uses good body language, eye contact, appropriate	Makes good eye contact with audience Shows enthusiasm and confidence Uses voice tone	Makes fairly good eye contact with audience Shows some enthusiasm and confidence	Make little or no eye contact with audience Shows little or no enthusiasm and confidence

voice tone	effectively	Uses voice tone relatively effectively	Uses voice tone ineffectively or to monotone
Makes effective use of presentation tools (slides/handouts)	Proper use of presentation tools with little or no distractions (e.g. appropriate animation/pictures, appropriate information on one slide, clear titles, etc.)	Generally good use of presentation tools. Some distractions but they are not overwhelming (e.g. reasonable animation/pictures, fair information on one slide, fair titles, etc.)	Poor use of presentation tools and/or many distractions (e.g. too much animation/pictures, too much information on one slide, absence of titles, etc.)

Rubrics for Midterm and Final Exam

	Excellent (85%-100%)	Acceptable (55% - 84%)	Poor (less than 55%)
Accuracy	The response uses the information from appropriate sources clearly, fully, directly, and accurately. The response is clearly related to a particular area of course coverage	The response communicates most of the relevant information in a generally correct and understandable way. The response is mostly related to a particular area of course coverage.	The response contains several factual errors. The response is barely related to any area of course coverage.
Analytic depth	The answer and opinions provided are well-supported with obvious and direct reference to pertinent information. The argument examines all sides of an issue thoroughly.	The answer and opinions provided are generally supported though some assumptions are not obvious or stated clearly. Some propositions may not be defended well. The argument mentions all sides of an issue, though not all sides are analyzed in equally appropriate depth.	The answer and opinions provided are barely or not supported by any argument or appeal to information in the article, lecture, or other relevant source. The argument is narrow, superficial, and/or one-sided.
Clarity of	The written response is	The quality of writing is	There are frequent

exposition	excellent with no glaring errors of spelling, usage, or grammar.	good with few, though noticeable, errors in usage, spelling, and grammar.	language errors in usage, spelling, and/or grammar.