

Faculty of Economics and Political Science
Principles of Economics 2 (Macroeconomics)

Information :

Course Code : ECO 102

Level : Undergraduate

Course Hours : 3.00- Hours

Department : Faculty of Economics and Political Science

Area Of Study :

This course provides all students with a sound understanding of basic economic concepts and methods of economic analysis with emphasis on modern macroeconomics with its application to theoretical and real world problems. At the end of this course, students will have the ability to develop analytical skills using diagrams and simple mathematics; to equip students with the ability to communicate and report findings while providing them with the skill of critical thinking and giving them the tools to enhance their time management skills while illustrating the value of academic honesty.

Course Goals:

- Estimate and analyze macroeconomic variables such as Gross Domestic Product, unemployment rate, inflation rate, balance of payments.
- Appraise the relevance of Economics to society and appreciate how the laws of Economics are developed,
- Explain real life economic issues through an application of basic macroeconomic principles.
- Recognize how to efficiently use available economic resources through aggregate demand and aggregate supply and their equilibrium.
- Distinguish the difference between microeconomics and macroeconomics and their diversified economic tools.
- Understand how mathematical expressions relate to economic principles.

Description :

This course focuses on the Macroeconomic Analysis and its role in understanding the overall economic performance of the country. It sheds the light on concepts such as: Unemployment, Inflation, Aggregate Demand, Aggregate Supply, Business Cycle, The Money Multiplier, as well as the use of different economic policies (Fiscal, Monetary, and Trade policies) in stabilizing the economy. It describes different methods of measuring Gross Domestic Product (GDP). Besides, It emphasizes the link between Income, consumption, saving and Investment. In addition, it differentiates between Economic Growth and Economic Development.

Course outcomes :

a. Knowledge and Understanding :

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| 1 - | Outline basic macroeconomic concepts and principles. |
| 2 - | Identify macroeconomic principles related to decision-making such as balance of payments, national income, unemployment, factors of production, and income distribution. |
| 3 - | Recognize economic policies on the macro level such as fiscal and monetary policies. |
| 4 - | Investigate simple mathematical, verbal and diagrammatic methods of analysis. |
| 5 - | Draw alternative policy responses focusing on contemporary macroeconomic policies while always referring back to some specific macroeconomic model. |

b. Intellectual Skills :

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| 1 - | Subdivide different macroeconomic methodological tools into mathematical and diagrammatical methods of analysis to explain macroeconomic issues. |
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2 -	Analyze the characteristics of alternative macroeconomic models.
3 -	Link macroeconomics with other social branches to facilitate the decision making process.
4 -	Interpret key macroeconomic principles to various practical and policy issues.
5 -	Examine different macroeconomic data analysis techniques in analyzing and interpreting international economic phenomenon such prose, tables, and graphs.

c. Professional and Practical Skills: :

1 -	Conduct simplified supply and demand models on the aggregate level to estimate the consequences of changes in the aggregate market on quantity and price.
2 -	Report in a simplified framework the process of modelling the main operations of any macro economy.
3 -	Contribute in decision making by acquiring important skills in numeracy, literacy, and information processing.
4 -	Conduct profitability and cost-benefit analysis evaluations to analyze country macroeconomic performance if random and/or intended changes occur in the environment.
5 -	Use both qualitative and quantitative skills in solving economic problems.

d. General and Transferable Skills: :

1 -	Experience with conceptual frameworks effective for problem solving and decision making.
2 -	Acquire analytical reasoning skills, numeric and clear effective communication skills.
3 -	Test the ability of students to work under pressure and as part of a team.

Course Topic And Contents :

Topic	No. of hours	Lecture	Tutorial / Practical
Introductory Lecture and Course Outline - The economic problem, resource allocation and economic systems (joint with Introduction to Macroeconomics).	5	1	1
Thinking like an Economist, 2 main economic models: the circular flow model and the production possibilities frontier (joint with Introduction to Macroeconomics).	5	1	1
Demand, Supply and Price determination (joint with Introduction to Macroeconomics).	5	1	1
National income accounts.	5	1	1
Growth and inflation in the long-run	5	1	1
Unemployment	5	1	1
Midterm Exam		1	
Aggregate expenditure including theories of consumption and investment	5	1	1
Macroeconomic equilibrium & Multipliers.	5	1	1
Monetary and fiscal policy, Trade and the exchange rate	5	1	1
Balance of Payments	5	1	1
Distribution of income	5	1	1
Business cycles	5	1	1
Money & finance	5	1	1
Final Exam		1	

Teaching And Learning Methodologies :

Demonstration videos

Data show PowerPoint slides in lectures

Group discussions

Application in tutors

Course Assessment :

Methods of assessment	Relative weight %	Week No	Assess What
Course Work (Attendance, Participation, Assignments, Quizzes, Research Paperé)	30.00		assess theoretical background of the intellectual and practical skills
Final Exam	40.00	15	assess knowledge and intellectual skills.
Midterm Exam	30.00	7	assess professional skills.

Recommended books :

Michael Parkin, Microeconomics (11e.), Pearson, ISBN-13 978023790037.

G. Mankiw, Principles of Economics, Thomson/South-Western: Ohio, 2004.