



FORMAN CHRISTIAN COLLEGE

Course Name: Macroeconomics I		
Course Code: ECON-102	Course Type (major)	Course Credits: 3
Section C		Student Meeting Hours/ Office Hours: TBD
Instructor Name: Shujaa Waqar		
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Course Description: There are three courses of Macroeconomics being taught at the department of Economics (ECON-102, 202 and 422) and ECON-102 is a foundation course. This course deals with comprehensive study of basic principles of Economics that govern the economy in the long run both in closed and open economy systems; and a quick introduction of the framework (AD-AS System) that is used for the study of macroeconomy in the short run. The study of Macroeconomy in the long run includes national income accounting, introduction to money and price level, causes and implications of unemployment, relationship between the markets of resources and goods being made with the resources, the role of financial markets (of local currency as well as foreign exchange) and government (through tax and government projects) that affects macroeconomy. The long run macroeconomics therefore dominates this course and in the last 2-3 weeks the study of macroeconomy in the short run is being introduced and its details would be exposed in the follow-up of ECON-202. Key macroeconomic concepts, national income accounting, productivity, standard of living, growth and public policy issues, introduction to consumption, saving and capital formation, inflation, unemployment, monetary system, quantity theory of money, introduction to monetary and fiscal policies.		
Main Mode of Instruction: <i>(class lectures, Moodle and Zoom.)</i> Technology Requirements Have internet excess and should be familiar with Moodle, Zoom and WhatsApp.		
Outcomes: By the end of this course my ECON-102 students will: <ul style="list-style-type: none">• Manage to carry out the measurements of GDP, inflation rate and unemployment rate for a simple macroeconomy• Can interpret the changes in macroeconomic indicators in the economy Be able to differentiate between		

- Nominal and real macroeconomic variables
- Long run and short run macroeconomic models
- Close and open economy macroeconomic considerations

Broadly understand the role of money in an economy with respect to

- Factors responsible for changes in availability of money
- Causes and consequences of changes in money in the economy

Have basic familiarity with contemporary macroeconomic indicators of Pakistan's economy

LEARNING OUTCOMES

This is a basic level course designed to give students a solid understanding of the basic principles of macroeconomics under the following course learning objectives.

- To clarify the basic difference in the objectives and operations of micro and macroeconomic frameworks
- To impart an understanding of the difference between short-run and long-run macroeconomic frameworks
- To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and unemployment in the economy
- To explain basic principles governing the role of money in the macroeconomy and broad consequences monetary changes in economy in the long run
- To offer a framework that can explain the working of an economy in the financial market context
- To provide basic knowhow about the (AD-AS) model being used to explain the working of an economy in the short run

COURSE MATERIAL

Mankiw, N. Gregory, *Principles of Macroeconomics*. Thomson South-Western Publishers, latest Edition.

Web Resources:

<http://www.calculator.net/gdp-calculator.html>

(A useful web-link to national income accounting)

<https://www.wikihow.com/Calculate-CPI>

(A link to study CPI calculation process)

http://www.pbs.gov.pk/sites/default/files/price_statistics/methodology_price.pdf

(Methodology of measuring CPI in Pakistan)

GRADING BREAKUP

Quizzes**	15%
Assignments	15%
Mid term 1	15%
Mid term 2	15%
Class Activity	10%
Final	30%

** . There will be no MAKEUP quizzes, class activities, assignments, and Midterm's exams.

Course Requirements & Important things to know:

- Students are required to watch/listen to online lectures and do relevant readings. They are also required to watch online videos as instructed.
 - **Due Dates:**
 - All assignments are to be submitted on the due date.
 - Late activities will not be graded unless previous accommodations have been made. In case of any other limitations (internet), inform prior to the deadline.
 - **Academic Honesty:**
 - All work that you submit in this course must be your own.
 - Unauthorized group efforts are considered academic dishonesty.
 - You may discuss homework (Assignments) in a general way with others, but you may not consult anyone else's written work.
 - You are guilty of academic dishonesty if you examine another's solution, allow (actively or passively) another student to examine your solution, or you copy from the Internet without complete understanding of what you have done. University policy of plagiarism will be applicable in the case.

All cases no matter how trivial they are will be reported to Academic Integrity Committee (AIC) of FCCU. Cheating or violation of academic integrity in any exam will cause F grade.

Assessment:

- **Quizzes:**
 - After every three weeks, there will be a quiz of the three weeks lectures covered in class.
 - Quizzes and tests (not practice questions) have a set time limit. Once you begin a test or quiz, you must finish it within the time limit shown. Once time expires, you will not be able to continue. It is essential that due dates and time limits be observed. Once time expired, you will not be able to complete an assignment and a grade cannot be assigned. There will be no substitute or additional credit assignments offered during or at the conclusion of the course.
- **Assignments:**
 - There will be a total of 3 assignments. Students will be notified about it on Moodle/email and will be required to submit them by the deadline.
- **Attendance:**
 - As per FCCU students book.

Grading Legend

Below is the grading legend of FCCU (published in all catalogues and available on the FCCU website) as approved by the Academic Council and applies for Fall as well

Grade	Point Value	Numerical Value	Meaning
A	4.00	93-100	Superior
A-	3.70	90-92	
B+	3.30	87-89	Good
B	3.00	83-86	
B-	2.70	80-82	

C+	2.30	77-79	Satisfactory
C	2.00	73-76	
C-	1.70	70-72	
D+	1.30	67-69	Passing
D	1.00	60-66	
F	0.00	59 or below	Failing

WK	Course Objectives	Topics	Instructional Material	Assessment & Rubrics	Teaching Learning Activites
1	To clarify the basic difference in the objectives and operations of micro and macroeconomic frameworks	1.Getting familiar with students and introduction to outline 2.The difference between Micro and Macroeconomics 3.Key Issues being discussed in macroeconomics 4.Measuring a Nation's income	Ch 1 (pg. 1-16) Ch 10 (pg. 195-197);	Assignment 1 should be submitted in end of third week	Lecture/ class activity/Group discussion
2	To clarify the basic difference in the objectives and operations of micro and macroeconomic frameworks	1.Getting familiar with students and introduction to outline 2.The difference between Micro and Macroeconomics 3.Key Issues being discussed in macroeconomics 4.Measuring a Nation's income	Ch 1 (pg. 1-16) Ch 10 (pg. 195-197);	Class activity 1	Lecture/ class activity/Group discussion
3	To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and unemployment in the economy	Measuring a Nation's income 1). Estimation of GDP, GNP, NNP 2). Limitations of Economic wellbeing measured through GDP	Ch10 (pg. 198-215)	Assignment 1 should be submitted in end of third week	Lecture/ class activity/Group discussion
4	To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and	Measuring cost of living 1). Measuring CPI and inflation 2). Comparison of GDP deflator and CPI in	Ch 11 (pg. 217-231)	Assignment 2 should be submitted in end of 7 th	Lecture/ class activity/Group discussion

	unemployment in the economy	3). Correcting economic variables for inflation 4). Real and Nominal Interest rates			
5	To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and unemployment in the economy	Measuring cost of living 1). Measuring CPI and inflation 2). Comparison of GDP deflator and CPI in 3). Correcting economic variables for inflation 4). Real and Nominal Interest rates	Ch 11 (pg. 217-231)	Quiz-1	Lecture/ class activity/Group discussion
MID TERM EXAM-1					
6	To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and unemployment in the economy	Production and growth 1). Economic Growth 2). Productivity and its determinants	Ch 12 (pg. 235-258)	Homework-1	Lecture/ class activity/Group discussion
7	To offer a framework that can explain the working of an economy in the financial market context	Saving and investment 1). Introduction to some distinct types of financial markets 2). Savings and investments in national income accounts 3). The Impact of taxes and budget surplus/deficit on loanable funds market	Ch 13 (pg. 259-278)	Assignment 2 should be submitted in end of 7 th	Lecture/ class activity/Group discussion
8	To offer a framework that can explain the working of an economy in the financial market context	Saving and investment 1). Introduction to some distinct types of financial markets 2). Savings and investments in national income accounts 3). The Impact of taxes and budget surplus/deficit on loanable funds market	Ch 13 (pg. 259-278)	Class Activity-2	Lecture/ class activity/Group discussion
MID TERM EXAM-2					
9	1.To impart an understanding of the difference between short-run and long-run macroeconomic frameworks 2. To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and	Unemployment and its NR 1). Introduction to measurement of Unemployment and the problems in its measurement 2). Difference between unemployment in the long run and short run 3). Impact of minimum wage laws in labour market	Ch 15 (pg. 297-320)	Assignment 3 should be submitted in end of 15 th week	Lecture/ class activity/Group discussion

	unemployment in the economy				
10	1.To impart an understanding of the difference between short-run and long-run macroeconomic frameworks 2. To impart an ability to understand the functional working involved in the measurement of national income, inflation rate and unemployment in the economy	Unemployment and its NR 1). Introduction to measurement of Unemployment and the problems in its measurement 2). Difference between unemployment in the long run and short run 3). Impact of minimum wage laws in labour market	Ch 15 (pg. 297-320)	Homework-2	Lecture/ class activity/Group discussion
11	To explain basic principles governing the role of money in the macroeconomy and broad consequences monetary changes in economy in the long run	The Monetary System 1). The meaning of Money 2). Introduction to Money Supply and its components 3). Introduction to central bank 4). Banking system, credit creation and money supply	Ch 16 (pg. 323- 346)	Class activity 2	Lecture/ class activity/Group discussion
12	To explain basic principles governing the role of money in the macroeconomy and broad consequences monetary changes in economy in the long run	Inflation – Its causes and costs 1). The causes of inflation 2). Effects of inflation 3). Inflation tax 4). Fisher Effect 5). Costs of inflation	Chap 17 (pp. 48-70)	Quiz-2	Lecture/ class activity/Group discussion
13	To explain basic principles governing the role of money in the macroeconomy and broad consequences monetary changes in economy in the long run	Inflation – Its causes and costs 1). The causes of inflation 2). Effects of inflation 3). Inflation tax 4). Fisher Effect 5). Costs of inflation	Chap 17 (pp. 48-70)	Home-3	Lecture/ class activity/Group discussion
14	To provide basic knowhow about the (AD-AS) model being used to explain the working of an economy in the short run	AD-AS system 1). Introduction about Macroeconomic fluctuations 2). Explaining the short run economic fluctuations 3). Differences between short run and long run analysis	Chap 20 (pp. 423-427)	Class activity-3	Lecture/ class activity/Group discussion
15	To provide basic knowhow about the (AD-AS) model being used to explain the working of an economy in the short run	AD-AS system 1). Introduction about Macroeconomic fluctuations 2). Explaining the short run economic fluctuations	Chap 20 (pp. 428-457)	Assignment 3 should be submitted in end of 15 th week	Lecture/ class activity/Group discussion

		3). Differences between short run and long run analysis			
16	To provide basic knowhow about the (AD-AS) model being used to explain the working of an economy in the short run	The Influence of Monetary & Fiscal Policy on AD	Chap 21 (pp. 461-485)	Quiz-3	Lecture/ class activity/Group discussion