Course Description
This course provides an introduction to some of the core models and concepts used in modern macroeconomics. Topics covered include consumption, asset pricing, money, exchange rates, and the current account.

Programme and Course Advice
This course serves as the core macroeconomics course at the postgraduate level. Students are expected to have a sound knowledge of microeconomics and macroeconomics (ideally Econ 301 and Econ 311). In addition, students are expected to have some familiarity with the core mathematical tools in economics, including (static) optimization and concepts in game theory.

Goals of the Course
This course will introduce and equip students with the tools needed for macroeconomic analysis at the graduate level. The course will introduce students to the workhorse models used in modern macroeconomics and show how they apply to contemporary problems facing policymakers.

Learning Outcomes
By the end of this course it is expected that the student will be able to:

1. Have a solid grasp of the main models used in macroeconomics and understand their key insights; and
2. Critically assess these models and apply the analysis to better understand contemporary issues in macroeconomics and macroeconomic policymaking.

Content Outline
There are two parts to the course. The first part will introduce students to dynamic macroeconomic models. The second part will focus on money, crises, and banking.

Provisional course outline
Part 1 – An Introduction to Dynamic Macroeconomics
Week 1-2: Rational expectations and the macroeconomy
Week 3-5: Intertemporal optimising models
Week 6: In class test
Part 2 – Coordination Failure and Search in Macroeconomics
Week 7-9: Credibility and crises

Continued
Week 10-11: Search models of money and unemployment  
Week 12: Review  

**Learning and Teaching**  
This course will be taught in the first semester. There will be 3 hours of lectures per week.

**Teaching Staff**  
**Professor Prasanna Gai**, room 677, 6th floor, Owen G. Glenn building,  
Telephone: 923 8310, email: p.gai@auckland.ac.nz

**Learning Resources**  
There is no set text. My lecture notes (which will be posted up following the lecture) will serve as a useful starting point for further reading. Students are, however, expected to read further (e.g. see the recommended books below and, in some cases, the original journal articles).

**Recommended Reading:**  

**Assessment**  
Assessment will be based on two components: A mid-semester test worth 30%, and a comprehensive Final Examination worth 70% of the total mark. Plussage will apply, i.e. I will maximise your mark and take max[your final exam score, combined mid-semester+final exam score].

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<tr>
<th>Learning Outcome</th>
<th>Test</th>
<th>Final Examination</th>
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<td>1</td>
<td>X</td>
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<td>2</td>
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**CHEATING AND PLAGIARISM**  
The University of Auckland regards cheating as a serious academic offence.

Plagiarism is a form of cheating. In coursework assignments submitted for marking, plagiarism can occur if you use the work and ideas of others without explicit acknowledgment. Work can be plagiarised from many sources, including books, journal articles, the internet, and other students’ assignments. A student’s assessed work may be reviewed against electronic source material using computerised detection mechanisms. Upon reasonable request, students may be required to provide an electronic version of their work for computerised review.

The way of avoiding plagiarism is to reference your work properly. If you are in doubt about how to reference properly, ask someone – your lecturers, tutors and the Student
Learning Centre are good places to start. Please refer to the following website for further information about academic referencing: www.cite.auckland.ac.nz/

The document Guidelines: Conduct of Coursework provides further advice on how to avoid plagiarism. It can be found at: https://policies.auckland.ac.nz/policies/Policies/policy-display-register/guidelines-for-the-conduct-of-coursework.pdf

The penalties for plagiarism can be severe, including losing some or all of the marks for the assignment. Major offences can be sent to the University’s Discipline Committee, where further penalties can be imposed.

THIRD PARTY ASSISTANCE WITH COURSEWORK

While you are encouraged to improve your coursework writing skills and are permitted to seek assistance from third parties you are advised that there are important limits on the amount and type of assistance that can be given to you in completing your assignments, including group work. Third parties include fellow students, reading groups, friends, parents, SLC tutors, and paid-for professional editing services.

There is a set of guidelines which clearly indicates the type of advice and assistance that can be given. If you are seeking the assistance of any third party you are required to give a copy of the guidelines to the person prior to them helping or assisting you.

You are also required to only seek and accept help using a printed version of your work, not an electronic version. You must keep a copy of this printed version and produce it if required.

A copy of the guidelines is available at: www.business.auckland.ac.nz/thirdpartyassistance

HELP WITH ACADEMIC REFERENCING

Acknowledgement of sources is an important aspect of academic writing. The University’s Referenc©ite website www.cite.auckland.ac.nz provides students with a one-stop online resource for academic referencing needs. Referenc©ite explains the essentials of referencing and how to avoid plagiarism. It also includes practical tools to help students reference correctly, use references effectively in writing, and gives fast access to some major reference formats with examples.

INCLUSIVE LEARNING

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the course convenor/lecturer and/or tutor.

STUDENT FEEDBACK

Student feedback is encouraged in this course. During the semester, students may directly submit their feedback to the lecturer through a face-to-face appointment, or they may wish to submit feedback through the class representative.

Class representatives

At the beginning of each semester, you will elect a class representative for the paper[1]. The role of the class representative is to gather feedback from students in the course and bring this to the lecturer and/or the Department. Class representatives’ email addresses are posted on Cecil and you are encouraged to contact them with feedback

[1] An election will not take place if the number of applicants for the class representative positions equals the number of positions available.
relating to the course. You are also welcome to talk to the class representatives in person.

**Staff-Student Consultative Committee**
Class representatives also submit feedback to the Department of Economics Staff Student Consultative Committee (SSCC), which meets up to three times per semester to gain feedback regarding the course. Only class representatives may attend the SSCC meetings, and they will ask the class for feedback before the SSCC meeting.

**Course and teaching evaluations**
At the end of the semester, you will have the opportunity to submit an evaluation of the course in a formative feedback questionnaire.