

Course Unit Title:	Principles of Macroeconomics
Course Unit Code:	ECO102
Type of Course Unit: (Compulsory/Optional)	Compulsory
Level of Course Unit: (first, second or third cycle)	Bachelor (1 st Cycle)
Year of Study:	2
Semester when the unit is delivered:	3
Number of ECTS credits allocated:	5
Name of lecturer(s):	TBA
<p>Learning Outcomes of the course unit: Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Explain and apply the basic principles and essential concepts of macroeconomic theory; • Describe the measurement and use of national income, and demonstrate how monetary and fiscal policies may influence national income and employment; • Explain how labour market flexibility and expectations may affect an economy's response to demand and supply shocks. • Explain and illustrate the determination of macroeconomic equilibrium under fixed prices, and appraise the purpose and efficacy of macroeconomic policy; • Review theoretical explanations of aggregate consumption and investment expenditure determination, and inflation-unemployment interaction. • Discuss macroeconomic models, and be able to solve and interpret problems based on such models; • Use macroeconomic concepts and methods to analyze and interpret real-world macroeconomic phenomena, and to assess issues of macroeconomic policy. 	
Mode of Delivery:	Distance Learning
Prerequisites and co-requisites:	None
Recommended optional program components:	None
<p>Course Contents:</p> <p>Objective: To equip students with knowledge and understanding of the fundamental principles and concepts of macroeconomics.</p>	

To instill in students an understanding and appreciation of how the economy in which they participate works.

To enable students to critically evaluate the action policy makers undertake when the economy fails to function effectively on its own.

To help students understand how any economy is linked to and affected by the rest of the world.

Description:

Overview of Macroeconomics: Aggregate Supply and Demand; Macroeconomic Issues; Objectives and Instruments.

Measuring National Output: the Yardstick of An Economy; Performance; Details of the National Accounts.

Consumption and Investment: Consumption and Saving; Marginal Propensities; the Instability of Investment.

The Theory of Output Determination: Classical and Keynesian Approaches to Output Determination; the Multiplier Model; the Multiplier in Macroeconomics Today.

Fiscal Policy in Theory and Practice: Fiscal Policy and the Multiplier Model; the Paradox of Thrift; the Making of Fiscal Policy.

Aggregate Supply and Business Cycles: Determinants of Aggregate Supply; Okuns Law; Supply Side Economics; Business Cycles Theories; Forecasting Business Cycles.

Unemployment: Importance of Unemployment; Measuring Unemployment; Economic Interpretation of Unemployment.

Inflation; Definitions and Costs; Causes and Cures; What is Inflation; the Impact of Inflation; Analysis of Inflation's Costs; Alternative Sources of Inflation; the Phillips Curve; Open Issues; Incomes Policy.

Money and Commercial Banking: Central Bank and Monetary Policy; History of Money and Banks; Banking As Business; the Process of Creation of Bank Deposits; How Monetary Policy Works to Control Spending; How Control Banking Works; the Nuts and Bolts of Monetary Policy.

Monetarism and the Demand for Money: the Demand for Money; How Money Affects Output; Monetarism Modern Monetarism; the Rational Expectations Postulates.
The Fiscal Monetary Mix and Government Deficits: Modern Public Finance; the Fiscal Monetary Mix; Do Deficits Crowd Out Investment; Measuring and History of Government Debts.

Economic Role of Government: the Growth and Functions of Government; Public Choice; Government Expenditures; Principles of Taxation; the Theory Problem of Tax Incidence.

Economic Growth: the Theory of Economic Growth; the Trends and Sources of Economic Growth.

The Economics of Developing Countries; Population Economic Conditions; Theories of Economic Development.

International Trade and the Theory of Comparative Advantage; the Gains From Trade and the Law of Comparative Advantage; the Balance of International Payments.

Protective Tariffs; Quotas and Free Trade; Supply and Demand Analysis of Trade and Tariffs; the Economics of Protectionism.

Exchange Rates and the International Financial System; Mechanisms of Foreign Exchange and Trade; Three Major Exchange Rate Systems; Macroeconomics of Open Economies; Breakdown and Reconstruction of The International System.

Recent developments and contemporary issues pertaining to the subject-matter of the course.

**Recommended
or
required reading:**

N. Gregory Mankiw: Principles of Economics (latest edition), Harcourt

Campbell R. McConnell and Stanley L. Brue : Economics (latest edition), McGraw-Hill

Baumol,W.J./Blinder,A.S.,: ECONOMICS-PRINCIPLES AND POLICY (Latest Edition),Dryden

Taylor, J.B. Houghton Mifflin : ECONOMICS (Latest Edition)

Ioannis M. Violaris, Epiphaniou: Economics (A Bilingual Approach)

Samuelson, P.A./Nordhaus,W.: ECONOMICS, McGraw Hill, Latest Edition

Baumol, W.J./Blinder, A.S. :ECONOMICS- PRINCIPLES AND POLICY, Dryden, Latest Edition

McEachern, W.A.: ECONOMICS-A CONTEMPORARY INTRODUCTION, South Western, Latest Edition

	<p>Case, K./Fair, R.: PRINCIPLES OF ECONOMICS Prentice Hall, Latest Edition</p> <p>McKenzie, R.B.: ECONOMICS, Houghton Mifflin Co. Boston</p> <p>Mansfield, E. : PRINCIPLES OF MICROECONOMICS W. Norton & Co.</p> <p>Albrecht, W.P.: MICROECONOMIC PRINCIPLES Prentice Hall</p> <p>Schiller, B.R. : THE MICROECONOMY TODAY Random House</p> <p>Wonnacott, P./Wonnacott, R.: ECONOMICS, Latest Edition , McGraw Hill</p> <p>Begg, D./Fischer, S./ Dornbusch, R.: ECONOMICS McGraw Hill</p> <p>David Hyman, N.: MICROECONOMICS, Irwin</p> <p>Selected articles from periodicals</p>				
Planned learning activities and teaching methods:	Virtual Lectures, Workshops, Group work, Assignments and Exams				
Assessment methods and criteria:	<table border="0"> <tr> <td data-bbox="618 1255 1079 1297">Examinations</td> <td data-bbox="1079 1255 1317 1297" style="border: 1px solid black; text-align: center;">50%</td> </tr> <tr> <td data-bbox="618 1297 1079 1339">Ongoing evaluation</td> <td data-bbox="1079 1297 1317 1339" style="border: 1px solid black; text-align: center;">50%</td> </tr> </table>	Examinations	50%	Ongoing evaluation	50%
Examinations	50%				
Ongoing evaluation	50%				
Language of Instruction:	English				
Work Placement(s):	No				
Place of Teaching:	Blackboard Virtual Learning Platform				