



School	Business
Department	Economics, Business & Finance
Module title	Principles of Macroeconomics
Module Code	2104112
Credit hours:	3 Credit Hours
Module Leader	Hassan ALamro (Hassan.a@mutah.edu.jo)

The course aims: An analysis of the economy as a whole including measurement and determination of Aggregate Demand and Aggregate Supply, national income, inflation, and unemployment. Other topics include international trade, economic growth, business cycles, and fiscal policy and monetary policy.

On completion of this module students should:

- Explain the role of scarcity, specialization, opportunity cost and cost/benefit analysis in economic decision-making.
- Identify the determinants of supply and demand; demonstrate the impact of shifts in both market supply and demand curves on equilibrium price and output.
- Define and measure national income and rates of unemployment and inflation.
- Identify the phases of the business cycle and the problems caused by cyclical fluctuations in the market economy.
- Define money and the money supply; describe the process of money creation by the banking system and the role of the central bank.

Module outline

- Week 1: Introduction
- Week 2 : Gross Domestic Product and Income: Concepts and Measurement Methods
- Week 3 : Consumption, saving investment
- Week 4 : investment
- Week 5 : aggregate supply and demand
- Week 6: equilibrium income
- Week 7: Simple multiplier model and government role (The Keynesian Perspective)
- Week 8: midterm exam
- Week 9: multiplier under an open economy
- Week 10: Inflation and unemployment
- Week 11: fiscal policy
- Week 12: Cost International Trade

- Week 13: Money and Banking
- Week 14: Monetary Policy and Bank Regulation
- Week 15: Revision
- Week 16: Final Exam

Course Materials

- N. Gregory Mankiw, M. Taylor, Macroeconomics, European Edition / 2ed, Palgrave Macmillan, 2014.
- Additional readings provided in class.
- Throughout the course, we will devote some time for group and class discussion of selected topics. Students are expected to be prepared to participate in the discussion as this will be part of their evaluation.

Module Organization

- **Teaching:** 3-hour lectures per week
- **Student workload:** Approximately 6 hours study per week
- **Feedbacks** will take the shape of one-to-one.

Assessment method:

- Mid Term Exam 30% (1 hour): week 7.
- Weekly exercises/assignments 20% (1 hour): week 11.
- Final Exam 50% (2 hours): week 16.

Course policies

To be explained to the students at the first meeting:

- ✓ **Class attendance:** Students are expected to attend all lectures of this course due to the nature of the course that adopts a cumulative learning process. A prior approval is required for class absence, except for emergencies.

*Students **absent** from class are responsible for obtaining notes of lectures and project assignments from fellow students and are responsible for turning such assignments when due. Absence is not an excuse for meeting an assignments due date.*

- ✓ **Tardy:** Arriving late are not expected in both on-campus and online lectures (if any), as it would affect the understanding of the student to the new topic, and therefore his performance in the daily exercise.
- ✓ **Class behavior:** A student is expected to pay full attention to the tutor, to respect his colleagues, and to keep the lectures and his table clean and tidy. Additionally, full attention shall be kept during the classes as the peer-to-peer learning is one of the major learning tools in the lecture.
- ✓ **Food and drinks:** Snacks and drinks with lids are allowed in the lectures.

- ✓ **Submissions and exams:** The weekly exercises are expected to be submitted on time. Late submissions are only accepted within a week of the original deadline and with 20% cut of the main grade. Failure to attend any exam or quiz will result to have a mark of zero.
- ✓ **Cheating:**Cheating in all its forms are not accepted and would result in an automatic zero for the submission/exam and would be reported to the dean to investigate the case and decide upon a suitable punishment according to the university regulations.