

Liverpool John Moores University

Title: ISSUES IN MACRO STABILISATION POLICY
Status: Definitive
Code: **6041BUSAE** (108121)
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School
Teaching School/Faculty: Liverpool Business School

Team	Leader
James Eden	Y

Academic Level: FHEQ6
Credit Value: 24.00
Total Delivered Hours: 61.00
Total Learning Hours: 240
Private Study: 179

Delivery Options

Course typically offered: Standard Year Long

Component	Contact Hours
Lecture	48.000
Tutorial	10.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS2	Seen Exam	60.0	3.00
Essay	AS1	Essay 3000 words	40.0	

Aims

1. To critically examine the attempts of policy makers to influence macroeconomic objectives, focusing on the controversies concerning the role and conduct of macroeconomic stabilization policy, inflation and unemployment, the balance of payments and exchange rates, aggregate demand and supply management, and business cycles

Learning Outcomes

After completing the module the student should be able to:

- 1 Evaluate sources of controversy over the role and conduct of macroeconomic stabilization policy
- 2 Analyse the main areas of agreement and controversy between mainstream macroeconomic schools on the policy issues of inflation and unemployment, the balance of payments and exchange rates
- 3 Evaluate sources of controversy over the role and conduct of aggregate demand and supply management
- 4 Evaluate alternative perspectives on the cause of, and cure for, business cycles

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	2	3	4
Essay	1		

Outline Syllabus

Overview of mainstream macroeconomic schools of thought.
Approaches to macroeconomic policy and problems of stabilization policy.
Inflation and unemployment.
Balance of payments and exchange rates.
Aggregate demand management: the role and conduct of fiscal and monetary policy.
Aggregate supply management: supply side policies.
Business cycles: cause and cure

Learning Activities

Lectures and tutorials. Tutorials are student led using material garnered from a number of sources

References

Course Material	Book
Author	Snowdon, B. and Vane, H.R.
Publishing Year	2005
Title	Modern Macroeconomics: Its Origins, Development and Current State
Subtitle	
Edition	
Publisher	Edward Elgar
ISBN	1-84542-208-2

Course Material	Book
Author	Friedman, M.
Publishing Year	1968
Title	'The Role of Monetary Policy'
Subtitle	
Edition	
Publisher	American Economic Review
ISBN	

Course Material	Book
Author	Kydland, F. E. and Prescott, E. C.
Publishing Year	1977
Title	'Rules Rather Than Discretion: The Inconsistency of Optimal Plans'
Subtitle	
Edition	
Publisher	Journal of Political Economy
ISBN	

Notes

The module examines the attempts of policy makers to influence macroeconomic objectives, focusing on the controversies concerning the role and conduct of macroeconomic stabilization policy, inflation and unemployment, the balance of payments and exchange rates, aggregate demand and supply management, and business cycles.

The coursework provides an opportunity to provide formative feedback; the examination is the terminal summative assessment.