

Course Overview

Introduction to Macroeconomics is a basic subject in the Faculty of Economy which weight 3 credit unit. This subject aims to implement the basic concept and problem-solving of economic problems through the lens of the macroeconomy, besides widening the knowledge horizon. This subject comprises nine modules which are presented in verbal, graphical, and mathematical.

The materials presented are as follows:

1. Basic Concept of Economy
2. National Income
3. Consumption, Saving, and Investment
4. Aggregate Demand and Multiplier Value
5. Money and Its Role in Economy
6. Government Role in Economy and Fiscal Policy
7. Aggregate Offer and Economic Growth
8. Price Stability, Unemployment, and Business Cycle
9. Open Economy

The problem being discussed in this material is quite vast therefore students are expected to actively participate in the learning process. To gain maximal results, *first*, students read thoroughly and try to understand the material presented especially in this Core Learning Material Book. To enrich insights about this material, you can search for literature mainly related to the macroeconomy, either through printed media or audio-visual media. *Secondly*, to assess material mastery, pay attention to the competency that exists in this module, then do the exercise and formative test without looking at the answer key. *Thirdly*, evaluate by matching the answer with the answer key. If you can obtain more than 80 percent correct, it means that you can proceed to the next module. However, if it is less than that, you should relearn especially the part which is still unclear. *Fourth*, ask your friends, lecturer/tutor, or your supervisor if you still do not understand the material, either directly or through the media provided. Happy learning.

General Competency: be able to implement basic concepts and problem-solving in the perspective of a macro.

Specific Competency:

1. Explaining the definition of economy.
2. Explaining the important reason for studying economic.
3. Explaining the basic concept of Economic.
4. Explaining the difference between macroeconomy and microeconomy.
5. Explaining different thoughts in economics.
6. Explaining economic thoughts of economic nobel winner.
7. Explaining the definition of gross domestic product (GDP).

8. Explaining the components of gross domestic product (GDP).
9. Calculating additional value.
10. Calculating gross domestic product (GDP).
11. Explaining gross domestic product (GDP) nominal.
12. Explaining gross domestic product (GDP) real.
13. Differentiating nominal GDP and Real GDP.
14. Showing indicators of economic performance measurement other than GDP.
15. Explaining the function of consumption.
16. Explaining the function of savings.
17. Explaining the relationship between consumption function and savings.
18. Explaining the concept of MPC and MPS.
19. Explaining the factors that trigger consumption.
20. Explaining the factors that trigger investment and savings.
21. Differentiating between investment and savings.
22. Showing the shift direction of the demand curve and loans offer.
23. Explaining determinants from aggregate demand.
24. Explaining the shape of the aggregate demand curve.
25. Showing the movement and shift of the aggregate demand curve.
26. Explaining the concept of multiplier number.
27. Counting multiplier number.
28. Explaining the definition of money.
29. Explaining the functions of money.
30. Explaining types of money.
31. Explaining the concept of money demand.
32. Explaining the concept of money offer.
33. Explaining about central bank.
34. Explaining monetary policy.
35. Explaining the function of government.
36. Explaining the theory of fiscal policy.
37. Explaining the purpose of fiscal policy.
38. Explaining the kinds of fiscal policy.
39. Explaining fiscal policy devices.
40. Explaining the government tax system.
41. Calculating government expenditure.
42. Calculating the amount of tax.
43. Differentiating between aggregate offer curve long-term and short-term.
44. Explaining the change determinant of aggregate offer.
45. Showing the shift of demand aggregate curve.
46. Showing the balance of macroeconomy AD-AS.
47. Explaining the basic concept of economic growth.
48. Calculating the level of economic growth.
49. Explaining the definition of inflation.

50. Explaining the types of inflation.
51. Explaining the sources of inflation.
52. Explaining the costs due to inflation.
53. Explaining the basic concept of unemployment.
54. Explaining the types of unemployment.
55. Showing the effect of unemployment on the economy.
56. Shows differences in government policy to keep under level and stable inflation with a low level of unemployment.
57. Explaining the concept of goods and capital flow happens across the country.
58. Explaining the concept of exchange rate.
59. Calculating exchange rate.
60. Explaining the payment balance concept.
61. Explaining various government policy that affects economic stability across countries.

Competency Map
Introduction to Macroeconomics/IEESPA4110/3 Credit Units

