

HONG KONG UNIVERSITY OF SCIENCE & TECHNOLOGY



Department of Economics

ECON 5200

Global Macroeconomics (MBA) (Fall II, 2026-27)

INSTRUCTOR

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CLASS SCHEDULE

Lecture times are Thursdays 7-10:30pm. Teaching mode is face to face at the Admiralty Campus.

COURSE DESCRIPTION

This course provides MBA students and business executives with a rigorous and policy-oriented introduction to the global macroeconomic environment and the policy frameworks that shape it. Students develop a structured understanding of national income accounting, unemployment, inflation, economic growth, and the roles of monetary and fiscal policy within an interconnected global economy. Emphasis is placed on applying macroeconomic theory to contemporary economic challenges. Foundational models are used to analyze events such as the Silicon Valley Bank shock, post-COVID supply disruptions, the Russo-Ukrainian War, geopolitical tensions, energy price shocks, and divergence in global monetary policy cycles, including between the People's Bank of China and the U.S. Federal Reserve.

The course adopts an international perspective spanning advanced and emerging economies, including China, India, Europe, South America, and Africa. Particular attention is given to China's growth experience and evolving global role. Students are expected to produce structured, evidence-based analysis with clear business and policy implications. AI tools are a required component of research, case preparation, and scenario analysis. All AI outputs must be critically supervised and evaluated using the analytical frameworks developed in class.

INTENDED LEARNING OUTCOMES

After completing this course, students should be able to:

1. **Interpret key macroeconomic indicators** (GDP, inflation, unemployment, interest rates, growth) across advanced and emerging economies, and assess their implications for global business decision-making.
2. **Apply core macroeconomic models** (growth theory, the monetary system, AD–AS, and open economy frameworks) to analyze economic shocks and policy responses in different national and regional contexts.
3. **Analyze the role of financial systems and central banks** in shaping inflation, unemployment, and financial stability within an interconnected global economy.
4. **Evaluate fiscal and monetary policy trade-offs** across countries, including spillover effects and unintended consequences in global markets.
5. **Assess international macroeconomic interdependence**, including exchange rate dynamics, capital flows, balance of payments adjustment, and the evolving roles of major economies and regions, including China, the United States, Europe, South America, and Africa.
6. **Produce structured and actionable macroeconomic analysis** that integrates theory, cross-country evidence, and case material into executive-level recommendations.
7. **Utilize, supervise, and critically evaluate AI tools**, as an essential component of global macroeconomic research, structured policy analysis, case preparation, and scenario development, identifying limitations, inconsistencies, oversimplifications, and potential biases relative to established macroeconomic frameworks.

PREREQUISITES

No formal prerequisite is required, and the course assumes no prior training in economics. Core concepts are developed from first principles, with emphasis on graphical and intuitive economic frameworks. While simple equations may be introduced where appropriate, calculus is not required.

The course is designed to be accessible to students from diverse academic and professional backgrounds. However, students should expect a structured and analytical approach to economic reasoning, and consistent preparation is essential for success.

RECOMMENDED LEARNING RESOURCES

Mankiw, N.G., Principles of Economics, 8th Edition, Cengage Learning, 2015 or later editions
Frederic S. Mishkin, The Economics of Money, Banking, and Financial Markets, 12th edition, Global edition, 2019. Case studies are provided, and additional readings will be posted on Canvas prior to each teaching week as required.

FINAL EXAM

The Final Exam (45%) is a closed-book assessment evaluating structured application of the macroeconomic frameworks developed throughout the course. Formal practice questions and solutions will be provided, together with AI-generated quizzes to help prepare for the exam.

GROUP COUNTRY PRESENTATION

Each group will apply the macroeconomic frameworks developed in this course to a real-world economy and deliver a structured macroeconomic briefing addressing the economic environment, policy stance, key risks, and short- and long-run implications for business and markets. Deliverables: PowerPoint presentation (max. 15 slides) and a 10-minute in-class presentation followed by a 5-minute Q&A. AI tools are required to support data analysis, scenario development, and policy evaluation. All AI outputs must be critically supervised using formal macroeconomic reasoning. Full details and grading criteria are provided in the Project Guidelines.

Weighting: Group Presentation (25%); Peer Evaluation (5%).

MACRO SIMULATION EXERCISE

The Macro Simulation Exercise (15%) is an individual assessment requiring structured response to a macroeconomic shock scenario. Students must diagnose economic conditions, evaluate policy trade-offs, and formulate coherent responses grounded in course frameworks. AI use is mandatory and must support scenario development, stress-testing, and policy evaluation. Assessment focuses on analytical coherence, model integration, and disciplined supervision of AI outputs. Disclosure of AI use is required in accordance with course guidelines.

RUBRICS FOR FINAL GRADE

Excellent Performance (A range)

Demonstrates integrated and disciplined application of global macroeconomic frameworks to contemporary economic and policy environments. Produces clear, executive-level analysis with coherent model-based reasoning and strong global perspective. Uses AI tools in a structured and critically supervised manner, identifying limitations and refining outputs to ensure theoretical consistency. Performance across all assessments reflects analytical rigor and professional communication.

Good Performance (B range)

Shows solid understanding of macroeconomic frameworks and applies them appropriately to global cases. Demonstrates structured reasoning and competent use of AI tools, though critical supervision and integration may lack depth. Communication and policy implications are generally clear.

Marginal Performance (C range)

Demonstrates basic knowledge of macroeconomic concepts but limited integration of models or policy trade-offs. Analysis may be descriptive rather than structured. AI outputs may be insufficiently supervised. Meets minimum standards but lacks analytical depth.

Fail

Demonstrates insufficient understanding of macroeconomic frameworks or inability to apply them coherently. Shows weak analytical structure or inappropriate reliance on AI. Performance does not meet minimum academic standards.

CASE READINGS & AI-ENHANCED CASE PREPARATION

Selected case discussions follow a structured AI-integrated preparation format. Students are expected to use AI tools (including the course-specific NotebookLM resource) to synthesize case materials, identify macroeconomic mechanisms, generate structured policy questions, test preliminary interpretations, explore alternative scenario pathways, and identify potential weaknesses in argumentation prior to class. AI-supported case preparation is not optional and forms part of the structured learning design of the course.

AI outputs must be critically evaluated rather than accepted passively. In-class discussion will focus on refining, challenging, correcting, and extending AI-assisted analysis using disciplined macroeconomic reasoning and formal policy frameworks.

The teaching cases are posted on CANVAS. Students are expected to read the cases before class and actively contribute to discussion. The cases chosen for the class this year are as follows:

China's Miracle Economy - *China's Miracle Economy: Causes, Consequences, and Current Status*, John Marthinsen; Nestor Azcona (2017)

India's Demonetization - *India's Demonetization: A Short-term Loss or a Long-term Gain?*, Geeta Singh; GV Muralidhara

Venezuela's Macro Crisis - *Venezuela's Macroeconomic Crisis: An Enduring Ordeal Of Worsening Economy With Alarming Inflation*, Vighneswara Swamy; Kotireddy Tamma (2017)

Cases will be supplemented with current data and recent policy developments.

ASSESSMENT SCHEME

Assessment Item	Description	Weight
Group Presentation	PowerPoint oral presentation in class	25%
Peer Evaluation	Individual contribution to group work	5%
Macro Simulation	Individual, AI-Assisted Macro Simulation Exercise	15%
Class Participation	Constructive contribution to class discussions	10%
Final Exam	Final Exam in 8 th Week	45%

CLASS PARTICIPATION GUIDELINES

Class participation (10%) reflects the quality of analytical contribution, evidence of structured AI-assisted case preparation, thoughtful critique of AI-generated insights, and disciplined integration of macroeconomic frameworks into policy discussion. Students are expected to engage actively in evaluating, challenging, refining, and extending AI-supported analysis during class discussions.

ACADEMIC INTEGRITY POLICY

Honesty and Integrity is a central value in HKUST. Please be aware of the importance to maintain a high standard of honesty in assignments, group projects and examinations in this course. Please familiarize yourself with the university rules and the HKUST academic honor code by visiting following website: <http://www.ust.hk/vpao/integrity/>

SYLLABUS

Please note this is a tentative schedule. Topic order may be changed and some topics may be removed or modified, based on time constraints, student progression, and continuous improvement.

Classes will be held on the following Thursday evenings: 7pm-10:30pm

Lecture	Date	Topics ¹	Reference ²
1	Oct 29	Introduction to ECON 5200 – Course Outline and Admin. Project Outlines. Global Economic Challenges in 2026-27. Foundational Concepts – GDP, Cost of Living, Unemployment	Course Notes, and Ch.23-4, 28
2	Nov 5	Economic Growth – We develop a heuristic version of the Neo-Classical Growth Model and apply it to China	Course Notes, Ch.25
3	Nov 12	Savings and Investment and the Financial System – How the Financial System, Households, Firms and Government Interact to determine market interest rates	Course Notes and Ch.26, 4**
4	Nov 19	Monetary System and Monetary Policy Tools – The role of Central Banks in the Monetary System and their influence over inflation, unemployment and interest rates.	Course Notes and Ch.29, 15**
5	Nov 26	Monetary Growth, Inflation & Monetary Policy – Classical model of Money - Money Neutrality, the Quantity Theory, Hyperinflation and the role of Monetary Policy	Course Notes and Ch.30, 16-17**
6	Dec 3	Open Economy Macroeconomics – An Introduction - Long-run models such as Purchasing Power Parity, Inflation-Depreciation Spirals to study the Venezuelan Crisis, GFC, Brexit and Contemporary Issues	Course Notes and Ch.31
7	Dec 10	Applying Aggregate Demand and Supply in Cases and Contemporary Economic Challenges – Study COVID-19, GFC, and a presentation on current US economic policy.	Course Notes & Ch.26**, Ch.33
8	Dec 17	Final Exam	

References (no asterisk) for Mankiw except ** Mishkin. See recommended learning resources for details.

EXPECTED WORKLOAD IN ECON 5200

ECON 5200 is a rigorous and analytically demanding course. Students should expect to devote at least one hour of independent study for each hour of class time; those without a recent background in economics may require additional time. Preparation before class is essential. Lecture materials will be posted in advance and should be reviewed prior to each session. Class time emphasizes explanation, application, and structured policy discussion rather than first exposure to concepts. To support learning, the course provides instructor

¹ Case study and supplementary reading information will be provided during class.

² Chapters without asterisks refer to Mankiw, N.G., Principles of Economics, 8th Edition, Cengage Learning, 2015 or later editions

office hours, Teaching Assistant support, and AI-assisted study tools (NotebookLM) for structured review and self-testing. Students are encouraged to use these resources proactively. Study groups are strongly recommended. ECON 5200 is designed for serious students committed to consistent engagement with macroeconomic reasoning and policy analysis.

GUIDELINES ON THE USE AND SUPERVISION OF AI TOOLS

AI tools (e.g., ChatGPT, Claude, NotebookLM and other university-compliant platforms) are a required component of structured learning and assessment in this course, except in the closed-book Final Examination.

AI use is mandatory in the Group Country Presentation, the Macro Simulation Exercise, and structured case preparation. AI tools may not be used in the Final Exam.

All submitted work must demonstrate disciplined application of the macroeconomic frameworks taught in class. AI-generated material must not be copied verbatim and must be briefly disclosed, including the platform used and general nature of prompts. Students are responsible for critically supervising and refining AI outputs to ensure theoretical coherence and internal consistency. Inappropriate use or failure to supervise AI may result in loss of marks and may constitute a breach of academic integrity.

ASSESSMENT TIMETABLE, CASE STUDIES, GROUP DISCUSSIONS

Please note this is a tentative schedule and will be modified when necessary.

Lecture	Date	Cases ³ & Topics	Assessment
1	Oct 29		Group Presentation and Macro Simulation Released in Weeks 1-2
2	Nov 5	China's Miracle Economy	
3	Nov 12		
4	Nov 19		
5	Nov 26	India Demonetization, FOMC Statement	
6	Dec 3	Venezuela Macro Crisis	
7	Dec 10	US Economic Policy	Group Presentations ⁴

³ These are the formal case studies used in this course. However, we will use other material as discussed in class to analyze several other contemporary and historical economic cases.

⁴ Group Presentations will primarily take place in Week 7 (Dec 10). If necessary due to time constraints, remaining presentations will be scheduled following the Final Exam in Week 8 (Dec 17).