



The
Insurance Institute
Of Ireland

PROMOTING PROFESSIONALISM SINCE 1885

ECMA – MACRO ECONOMICS

SYLLABUS 2008

Introduction:

This module examines the economics at an aggregate level. It addresses the macroeconomic issues, economic growth, unemployment, inflation and international trade. The concept of National income is introduced and demand management via fiscal policy is addressed. The role of money and banking in the economy is considered together with the related issue of the role of monetary policy as an instrument of macroeconomic policy. Trade and the related issue of exchange rates and balance of payments are considered in detail. The final topic covered is economic and monetary union.

Indicative Learning Outcomes:

On completion of this module students should be able to:

- Identify the macro economic objectives of governments and explain how governments achieve their objectives amid conflicting goals
- Discuss how fiscal policy is employed as an instrument of macroeconomic policy and critique its operation
- Describe the macroeconomics of International Trade Exchange Rates and Terms of Trade
- Describe the role played by financial intermediaries in the market and explain the role of a Central Bank in an economy within and without a common currency area
- Describe the road to economic and monetary union
- Understand the reasons for creating a European Monetary Union
- Describe the European System of Central Banks

Syllabus Outline (this is a summary of the syllabus and not a full statement of content):

- Economic Growth
- Inflation
- International Trade
- Employment
- National Income
- Money and Banking
- Monetary and Fiscal Policy
- Balance of Payments
- Monetary Union