

GT01003 Assignment: Some Guides

The objective of this assignment is to assess your ability in analyzing macroeconomic news using the knowledge learned from GT01003.

Selection of news article: There will be more issues to analyze if your news article is interesting, with titles such as *“Unemployment in U.S. is the highest in 26 years”*, *“Economic council to tackle the problems of inflation and falling output”*, *“China’ GDP is growing despite world recession”*,... (Please note that the above titles are hypothetical, serving only as example).

Summary: It is only necessary if your news article is very long; otherwise it can be omitted.

Graph: It is only necessary if your analysis requires the use of graphs for further clarification. Don’t simply put graph if it is not needed.

Analysis: This is the most important part. Some students who came to see me just do 5 lines of analysis, and then pose 3 questions for me to answer. **Is this your assignment or mine? If you do this, I will just give you 1-2 marks.** Please note that the word length should be around **2000 words**.

Let me use the article *“Unemployment in U.S. is the highest in 26 years”* as an illustration.

You should write your analysis in the form of **essay**.

Illustration: Unemployment in U.S. is the highest in 26 years

1. Introduction

In the first section, you can collect data on U.S. employment rate and draw a graph to show that the unemployment rate in 2008 is indeed the highest in 26 years, as claimed in the news article.

2. Causes of High Employment Rate in U.S.

In this section, you can discuss those factors or events that lead to this high unemployment in 2008. For instance, you can relate the unemployment to the subprime crisis and also the problem in the financial sectors. In your analysis, you can relate the events/factors to those macroeconomic theories from GT01003.

3. Effects of High Employment

You can proceed to discuss the effects of high employment, for instance, how it affects U.S. GDP,...

4. Policy Actions

The subsequent discussion should focus on those steps taken by the U.S. government in tackling the unemployment problem. For instance, the use of fiscal or monetary policies. You can also draw on those macroeconomics theories from GT01003.

5. Recommendations

If you think that what the U.S. government has done is insufficient to tackle unemployment, you can outline some recommendations in your analysis. Again, your suggestions should be further elaborated and supported by theories from GT01003.

6. Conclusion

It is time for you to conclude your analysis.