Principles of Macroeconomics EC 13206
Spring 2010
Room: Carney 206

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Office Hours: M.-Th. 5-6

Aplia Software: your Course Key is 2G3G-8WL-T-JZGK

Course Requirements and Grading

- 2 Midterm exams (25%), on February 22 and on April 8.
- Problem sets (5%)
- Group presentation (15%)
- A cumulative final exam (30%), on May 13

Course Requirements
Your grade for this course will be based on two midterm exams, a final exam and a series of problem sets.

For the exams, you will be held responsible for the material covered in: (i) our in-class discussions, (ii) the relevant chapters of the textbook, (iii) the lecture notes, (iv) group presentations, and (v) the problem sets.

2 MIDTERM EXAMS: The midterm exams will be held during our regular class meeting times on February 22 and April 8.

FINAL EXAM: the final exam will be held on May 13.
**PROBLEM SETS:** The book goes in conjunction with a software access card by Aplia, an online interactive system which allows problem sets to be submitted and graded electronically. It is fine for you to work together with other students on these problem sets, but I expect each of you to write up and submit your own individual answers for grading. It can often help to discuss the problem set questions with your classmates, in order to get a deeper understanding of the topics. But also keep in mind that the purpose of the problem sets is defeated if you simply take your answers from someone else without really thinking about them yourself. If necessary, I will provide non electronic problem sets in preparation for the exams.

**READINGS:** In order to pass this course you will have to read (or re-read) a very important book: “The Grapes of Wrath”. John Steinbeck’s “The Grapes of Wrath” is a masterpiece of the American literature that describes the Great Depression in a very realistic way. The content of this book will be included in the program that you have to study for the final exam.

**GROUP PRESENTATIONS**
You will have to form 7 groups of 5 people each. Once the groups are formed you will have to choose one of the following topics:

1. Great Depression
2. Asian miracle and crises
3. Latin America crises
4. Chinese economic development
5. American housing bubble and financial crisis (2007-08)
6. From Bretton Woods to the euro
7. Public debt and crisis in Japan

Topics will be assigned on a first come first served basis. The goal of these presentations is to analyze these historical events with the help of the instruments that we learned during the course. This means that I don’t want simply a list of events, but I want you to show me your ability to elaborate and develop an economic intuition behind those facts. Once the topics have been assigned I will follow each group in the preparation of the presentation, giving useful references and advice.
Each group will have to prepare slides for the presentation and email them to me by April 21. I will make the slides available online for the whole class. I recommend you to attend all the presentations since they will be included in the program that you have to study for the final exam.

**Grading System**

EXAMS: Each of the two exams will determine 25 percent of your course grade.

PROBLEM SETS: I will drop the lowest score that you receive on the graded problem sets and then weight each of the remaining problem sets equally to determine the remaining 5 percent of your course grade.

**Policies on Late Homework Assignments and Missed Exams**

I will not accept problem sets completed after the due date. If for whatever reason it is not feasible for you to complete one of the assignments on time, you will still be able to earn a good grade for the course as a whole, provided that you otherwise complete the assignments regularly.

Make-up exams will not be given.

Please let me know as soon as possible, preferably before but if necessary after the fact, if a serious documented reason, like a serious illness or a personal emergency, prevents you from taking one of the midterm exams. Only in those exceptional cases, I will base 55 percent of your course grade on the final exam.

I will assign a grade of zero to a midterm if your absence is unexcused.

**Academic Integrity**

Your work on exams and assignments is to be entirely your own. Be sure you are familiar with the sections on “Academic Integrity” in the Boston College Catalog (pp.35-36) or online at BCInfo, (A-Z index, Academic Integrity). **Be aware that your instructor will take it most seriously.**

**Economics and the Core**

This course is designed to meet a number of needs. It is required for the economics major and for CSOM students, it is one of the choices to fulfill the social sciences CORE
requirement, and it serves as an elective to anyone who wants an introduction to macroeconomics. It introduces the basic tools of macroeconomic analysis and applies these tools to problems both of historical interest and of current public policy. Finally it looks at how we bring together what we learn from economics with what we learn from other fields.

**Course Outline**

- Macroeconomics: The Big Picture Ch. 6
- Tracking the Macroeconomy Ch. 7
- Income and Expenditure Ch. 11
- Fiscal Policy Ch. 13
- Investment Ch. 10
- Money, Banking and the Federal Reserve System Ch. 14
- Monetary Policy Ch. 15
- Aggregate Demand and Aggregate Supply Ch. 12, 17
- Unemployment and Inflation Ch. 8
- Inflation, Disinflation and Deflation Ch. 16
- Open-Economy Macroeconomics Ch. 18
- Long-Run Economic Growth Ch. 9