

**Boston College
Department of Economics**

**EC 132.12/13
Principles of Macroeconomics
Spring 2000**

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Meeting time and place:

EC132.12: Tue/Thu 9:00, Gasson 303

EC132.13: Tue/Thu 10:30, Gasson 303

Office Hours: Thu 1:30-3:00 or by appt.

Required Text:

Tresch, Richard(1994). Principles of Economics, West Publishing Company.

Course Requirements and weights:

Midterm Exam 1 (Feb 29, 2000): 25%

Midterm Exam 2 (April 11, 2000): 25%

Take-home essay: 10%

Final Exam: 35%

Class Participation: 5%

I will also assign several problem sets throughout the semester. No weight is assigned to these problem sets, however they are crucial for your understanding of the material and practicing for the exams. I will provide some additional material throughout the course (journal/newspaper articles, short papers etc.) for discussion in class.

There will be no make-up exams unless you have a health problem. If you miss an exam due to a health problem, you are required to submit a note from the university health services.

This course is designed for you to get a solid understanding of the Principles of Macroeconomics. Studying in groups will help but be sure to be able to do the problems on your own . You are encouraged not only to attend classes regularly but also to raise questions in class. You can also ask me questions during my office hours(or another time with an appt.).

Course Outline(may be subject to change):

- I. Introduction to Macroeconomics
 - A. The Macroeconomic Policy Goals - Chapters 25 and 26
 - B. National Income Accounting - Chapter 27
 - C. Macroeconomic Modeling - Chapter 28
 - 1. Fiscal and Monetary Policies
 - 2. New Classical Approach
 - 3. New Keynesian Approach
- II. National Income Determination and Fiscal Policy
 - A. National Income Determination - Chapter 29
 - B. Fiscal Policy, the Spending Multiplier and the Fiscal Policy Multipliers - Chapter 30
 - C. Automatic Stabilizers in the Economy - Chapter 31
- III. Business Cycles: Theory and Evidence - Chapter 32
- IV. Monetary Policy
 - A. The Nature of Money and Banking - Chapter 33
 - B. The Monetary System of the US - Chapter 34
 - C. Monetary Policy and its Effects - Chapter 35
- V. Fiscal and Monetary Policies and the Macroeconomic Policy Goals - Chapter 36
- VI. The Role of Prices and the Problem of Inflation
 - A. Aggregate Supply and Aggregate Demand Curves for the Economy-Chapter 37
 - B. The Control of Inflation, the Inflation-Unemployment Tradeoff - Chapter 38