

EC 202 Macroeconomic Theory
Mon. Wed: 3:00
Spring 1995-1996

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Office Hours:
Wednesday 12:30-13:30
Friday 13:30-14:30

Text: Robert J. Gordon, *Macroeconomics*, 6th edition, Harper Collins, 1993.

Course Description: The basic subjects of this course are the causes, consequences, and cures of inflation and unemployment. The course begins with a review of national income accounting and elementary income determination and uses the model to examine the consequences of monetary and fiscal policy. Initially the price level is assumed to be fixed but then the course becomes more realistic and examines the causes of price inflation. After studying the causes of inflation, the course turns to the reasons for high unemployment, the consequences of inflation, and the cures for inflation. The course concludes by considering current policy issues.

Teaching methodology: The course is conducted as a lecture class, but students are encouraged to ask questions. Reading the material in advance enhances your ability to participate. From time to time, I will hand out articles from newspapers and magazines on current issues to discuss in class. You should also get into habit of reading papers and/or weekly journals such as New York Times, Boston Globe, Wall Street Journal, Economist, Business Weekly. There are always very interesting articles in these journals.

All chapter assignments given in class refer to readings in Gordon. Supplemental readings will be either distributed in class or placed on reserve in O'Neil Library. Material is cumulative and it builds up quickly, so do not fall behind.

Absolutely **no make up** or no early exams will be administrated. If you have a valid reason (Dean's note at least), you should notify me no later than the time the exam is scheduled, then your subsequent scores will be reweighted. Otherwise you will receive a zero on that test.

Method of Evaluation:

Problem sets: There will be three required problem sets.

Quizzes: Two announced 30 minute quizzes on specific chapters (6-8) and (8-11) will be given in class.

Exams:

Exam I: Chapters 1-5 and any outside readings; immediately following completion of chapter 5 (approx. the forth week of classes)

Final Exam: Comprehensive, TBA.

Grades:

There will be 200 total possible points: Exam I (50), Quiz I (25), Quiz II (25) Final exam (100). You will not receive points for the problem sets but they must be turned in to qualify you to take the Exams.