

BOSTON COLLEGE
DEPARTMENT OF ECONOMICS

Professor Edward C. Kienzle
Course Numbers and Meeting Times:
EC 132.04 (MWF 10-10:50)
EC 132.19 (MWF 1-1:50)

Office: Carney Hall 142
Office Hours: MWF 11-12
Term: Spring 1998

Course Title: Principles of Economics II--Macro

Course Description: This course is an analysis of national income and employment, economic fluctuations, monetary and fiscal policy, inflation, growth, and international aspects of macroeconomic policy. No course prerequisites.

COURSE SYLLABUS

PART ONE: INTRODUCTION TO MACROECONOMICS

1. The Macroeconomic Policy Goals I (Ch. 25)
2. The Macroeconomic Policy Goals II (Ch. 26)
3. The National Income and Product Accounts (Ch. 27)
4. Modelling the Macro Economy (Ch. 28)

PART TWO: NATIONAL INCOME DETERMINATION, FISCAL POLICY,
AND UNEMPLOYMENT

1. National Income Determination (Ch. 29, including APPENDIX 29)
2. The Spending Multiplier, Fiscal Policy, and Unemployment (Ch. 30, including APPENDIX 30)
3. Automatic Stabilizers, Net Exports, and Budget Deficits (Ch. 31, including APPENDIX 31)

PART THREE: MONEY AND MONETARY POLICY

1. Money, Banking, and the Monetary System (Chs. 33 and 34)
2. Private Investment Analysis (Ch. 12)
3. Monetary Policy (Ch. 35)
4. Fiscal Policy, Monetary Policy, and Macro Policy Goals (Ch. 36)

PART FOUR: THE ROLE OF PRICES AND THE PROBLEM OF INFLATION

1. Aggregate Supply and Aggregate Demand (Ch. 37)
2. Controlling Inflation and Other Policy Issues (Ch. 38)

PART FIVE: INTERNATIONAL ECONOMIC ISSUES**

1. International Trade and Barriers to Trade (Ch. 39)
2. International Finance (Ch. 40)

**The semester time constraint may necessitate that we omit some/all of this.

Note: The required reading is taken from the textbook for this course by Richard W. Tresch (see below) and appears by chapter number and appendix citation in parentheses following each assigned topic above.

Required Textbook: Richard W. Tresch, *Principles of Economics*, Minneapolis/St. Paul: MN, West Publishing Company, 1994.

Communication: I may be reached at my office in Carney Hall, Room 142. Regularly scheduled office hours are MWF 11-12. I also can be available for appointments on a MWF 12-1 basis. Other times beyond MWF 11-1 are not possible. The telephone number in my office is 552-3682 (campus 2-3682). The secretaries for the Department of Economics are Mrs. Kathleen Tubman and Mrs. Mary Foley; their offices are on the first floor of Carney Hall, and, if necessary, messages for me may be left with either one of them. My Department of Economics mailbox is located in Carney Hall, Room 136 where I retrieve my mail every MWF. When leaving a message, please leave your telephone number so that I may know how to reach you. On Tuesdays and Thursdays I will not be able to be on the campus but can be reached in case of emergency or if necessary at the parish church where I am the Priest-in-Charge: The Church of the Good Shepherd (Episcopal), Dedham, Massachusetts (telephone: 781-326-3052).

Examinations and Course Grading: All examinations will be of the: (1) multiple choice type, and/or (2) true-false type, and/or (3) fill-in type. In other words, each examination will be either one of these types alone or some combination of these types. No re-take examinations will be given. There will be three (3) examinations in the course. Two (2) of these examinations will be given during class time in the midst of the semester (EXAM I and EXAM II). The third examination (EXAM III) will be the final examination and will take place during the final examination period established by the university registrar. The final examination will be cumulative and will consist of three (3) parts. The first part (EXAM III-A) will cover the same material covered by EXAM I; the second part (EXAM III-B) will cover the same material covered by EXAM II; and the third part (EXAM III-C) will cover material after EXAM II. Each of these parts on the final examination will be weighted equally at one-third (1/3). The course grade will be determined by averaging the grade score from EXAM III-C with either EXAM I or EXAM III-A (whichever is higher) and with either EXAM II or EXAM III-B (whichever is higher). Each of these three parts used to determine the course grade will be weighted equally. Here is an example: suppose a student does better on EXAM I than on EXAM III-A and does better on EXAM III-B than on EXAM II. The course grade for this student would be determined by averaging the grade performance on EXAM I, EXAM III-B, and EXAM III-C (equal weights (one-third = 1/3) apply to each exam). In the case of this student, the results of EXAM III-A and of EXAM II will be ignored for course grading purposes. Poor class attendance will also be taken into account in determining course grades

(please see the attached memorandum (dated 2 September 1997) from the Dean of the College of Arts and Sciences, J. Robert Barth, S.J., on the topic of class attendance). Poor class attendance will lower the course grade from what it would be otherwise. Specifics on this will be discussed in class. The grading system for undergraduates at Boston College is as follows: A, A-, B+, B, B-, C+, C, C-, D+, D, D-, and F. A is excellent; B is good; C is satisfactory; D is passing but unsatisfactory; F is failure.

Miscellaneous: A make-up examination (again, please see the attached memorandum from Dean Barth) will not be given for a missed scheduled examination except in the case of a reasonable and valid excuse which is submitted to me verbally and in writing immediately, preferably before the missed examination. Such an excuse is subject to my approval, and I may require proper verification and documentation. For an approved excuse, a make-up examination will be administered at the time of the final examination (see above for discussion of the format of the final examination). It is assumed, of course, that the student will adhere to all regulations/policies of Boston College regarding the submittal of such excuses, etc., and the submittal of such make-up work.