

**Boston College**  
**Department of Economics**

**Economics 132: Macroeconomics Principles**

**Andy Chen**

**Lectures: EC13203 meets MWF @ 9AM**

**EC13204 meets MWF @ 10AM**

**Class Room: Fulton 423**

**Office: Carney 33C**

**EMAIL: CHENAA@BCAXP1.BC.EDU**

**Phone: (617) 552 - 8707**

**Office Hours: Mon 11 - Noon & by appointment.**

**Text:** Principles of Economics by Richard Tresch. This is the required textbook for the course; it is available in the bookstore.

**Topics:** (to be revised as needed)

In this course, we will examine the behavior of the economy. This discussion will include the role of the government in the economy (fiscal and monetary policy), international trade, and open economy issues. It is not a problem if you have not taken microeconomic principles as the basics will be discussed.

**Course Requirements:** Your grade will be based on your performance on the following:

Midterm Exam: Tuesday April 6th, 1999

Final Exam: date and time depend on class.

Term Project & Class Presentation

Class Participation and Homeworks (see below)

The midterm, final and project are weighted equally. There are no makeup exams without a letter from your Dean stating that it was an excused absence. The class participation and homework act as a shift factor which I use to increase or decrease your final letter grade.

**Project and Presentation:** You may work in groups, maximum group size is three. Starting from April 7th, the groups will make 15 minute presentations on their topic followed by a question period. Two groups will present per day. I want your group list and topic finalized by the end of February. I will be grading you on your presentation, your written project, and your participation in other groups' question period.

**Boston College**  
**Department of Economics**

**Homework and Class Participation:** I will be assigning a homework problem or problems for almost every class. I will verify that you have done the assignment at the beginning of class, then we will discuss them. I will call on you to present your solution to the class. It is important that you do the homework since it is part of your grade. You may work together on the homework, just put everyone's name on the assignment. The maximum group size is three. If you are ill and unable to attend, have a friend bring your assignment into class. Homeworks turned in after class are considered late. Homeworks turned in after their cycle (i.e. when we are reviewing another problem set) will not receive credit. You are allowed one late homework per semester; any additional late homeworks will not receive credit. I will provide an answer keys for the homeworks periodically. If you miss class, old homeworks will be placed in a folder on a desk outside of Carney 33B, look for your section time on the folder. Homework can boost your grade by two-thirds(maximum). Homework is also your "get out of jail free" card. Should you fail the course, but have completed all the homeworks, you will receive a passing grade of D-.

All students are expected to comply with the rules of academic integrity as outlined in the Boston College Student Handbook. If you are not familiar with them, please see the Boston College Catalog (pp. 41 - 42 for Arts & Sciences regulations). Violations will be severely punished.

If you have questions, **PLEASE SEE ME IMMEDIATELY**. There is a lot of material to be covered and it does build upon itself. If you feel that you do not understand something, please ask. Do not let your problems snowball into an avalanche, If you feel uncomfortable asking questions in class, either come to my office hours or arrange for an appointment. I am usually around during the evenings around 8 or so, either in my office or the department computer room in Carney 138 (or occasionally the O.C.F.). The building is usually not locked until approximately 10 PM so feel free to come by if you are in the area (call ahead to make sure I'm in). We can also make appointments to meet at a convenient time. Please email me at least a day in advance and we can set up a time to meet.

**Boston College**  
**Department of Economics**

**Review Questions**

- 1.a. What causes Supply to increase? Decrease?
  - b. What happens to Price & Quantity in equilibrium after Supply increases? After it decreases?
  
- 2.a. What causes Demand to increase? Decrease?
  - b. What happens to Price & Quantity in equilibrium after Demand increases? After it decreases?
  
3. What is the Circular Flow of Economic Activity
  
4. Solve for Y:  
 $Y = A + B + C + 50$   
Where:  
 $A = 10$   
 $B = 30 + Y$   
 $C = -10$