

BOSTON COLLEGE
Department of Economics

EC 202
Macro Theory
TuTh: 9:00 am
Spring 1999

Joe Peek
Office: Carney 141, x2-3686
Office Hours: Tu. & Th.:
1:00-2:30 pm and by appmt.

TEXT: Robert J. Gordon, *Macroeconomics*, 7th edition, Addison-Wesley, 1998.

I will also provide topical material from time to time as outside readings. All assignments are to be read before the classes during which they will be discussed.

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. Students are expected to have done the reading before coming to class. From time to time, I will hand out articles from newspapers and magazines on current issues to be discussed in class.

Methods of Evaluation:

Problem sets: There will be three required problem sets.

Quizzes: Five short (10 minute) quizzes on specific chapters will be given in class.

Exams:

Exam I: Chapters 1-6; immediately following completion of Chapter 6 (approximately the fifth full week of classes)

Exam II: Chapters 7-11; immediately following completion of Ch.11.

Final Exam: Comprehensive, **Wednesday, May 12, 12:30 p.m.**

Grades: There will be 240 total possible points: Exam 1 (50); Exam 2 (50); final exam (100); total of best 4 out of 5 quizzes (40). You will not receive points for the problem sets, but they must each be turned in to qualify you to take the Exams.