

**BOSTON COLLEGE**  
**Department of Economics**

---

**EC 132.04**  
**Principles of Economics – Macro**  
Spring, 2004  
Room: Fulton 425

Anh T. Vu: [vua@bc.edu](mailto:vua@bc.edu)  
Admin Bldg. 480E, 2 - 6745  
Office hours: F 3:00-5:00 pm  
Web site: [www2.bc.edu/~vua](http://www2.bc.edu/~vua)

**Required Text**

Samuelson, Paul A. and Nordhaus, William D. *Economics*, 17th ed., 2001 (hardcover), **or** *Macroeconomics*, 17th ed. 2001 (paperback).

(The Study Guide that accompanies the main text is recommended and proved to be very useful.)

**Course Description**

This is the second part of a two-semester introduction to economics. It is intended to provide an overview of *macroeconomics* for both major and non-major in economics. More specifically, the course will cover topics of economic growth and business cycles, macroeconomic policies, unemployment, and inflation.

**Course Requirements**

There will be 2 midterm exams (25% each). The tentative dates are Friday, **February 13<sup>th</sup>** and Wednesday, **March 24<sup>th</sup>**. The final exam (40%) will be on **Saturday, May 15<sup>th</sup>**, at **9:00 a.m.** (no make-up exams will be provided). Problem sets will count for the remaining 10%.

As noted in the 2002 – 2003 Boston College Catalogue (p.32), students are expected to attend class. Missing class for an extended period of time without legitimate reasons will not be accepted.

**Course Organization**

The course meets for three lectures per week (MWF 10.00 - 10.50 a.m.) Problem sets will be handed out in class by one week before they are due and are to be turned in on the day due just prior to class. You are encouraged to work together on the problem sets, however your work on exams should be entirely your own. Be sure you are familiar with the sections on "Academic Integrity" in the Boston College Catalogue (pp.31, 39, and 279) and be aware that your instructor takes this most seriously.

There will be **no make-up exams**. If you miss an exam for good reason, let me know immediately (via phone or email) and you will be graded on the other exam and the final.

**Grading Policy**

Your final grade will be the weighted average of the two midterms and the final exam. Given this final percentage point, the following grading system will apply:

GPA	Grade	GPA	Grade	GPA	Grade
90-100	A	70 – 74	B-	54-56	D+
85 – 89	A -	65 – 69	C+	51-53	D
80 – 84	B +	60 - 64	C	48 – 50	D-
75 - 79	B	57 - 59	C-	below 48	F

## How to get an A in EC 132

- Lectures are essential: The textbook is great but some concepts are by themselves difficult. One of my main duties is to make sure that every student in the class understands the material well. I will make several examples that will clarify abstract concepts. Skipping lots of lectures seriously hinders your chance of getting a good grade because it is then very difficult to keep track of what's going on in the course.
- Read the material in advance: This way you can better understand what is explained and you can ask questions during the lecture regarding issues, which are not clear.
- Do the assigned problem sets: Although problem sets only count for 10% of the final grade, you are strongly encouraged to solve them, first by yourself, and then with your study group. Questions in the midterms and final examination will be written such that their level of difficulty is similar to those in the problem sets. This means that solving the problem sets is the best way to see whether you are prepared or not for the exams.

### A note on technology and e-learning with WebCT

WebCT is an e-learning system to complement classroom instruction. You can use your normal internet browser to access WebCT with your BC's ID. In this class, WebCT will be used to allow you to take on-line quizzes, to send you recommended readings, to inform you about any changes in class schedule etc.

You can access WebCT for this class by one of the following ways:

1. URL login (<http://webct.bc.edu:8900>) - login requires BC ID as username and PIN as password.
2. Agora drop-down menu option (<https://agora.bc.edu/course/enter.webct>) – login (to Agora) requires BC ID as username and PIN as password. You will not need a special login for WebCT once you have logged onto Agora.

Here is the student information URL: <http://fmwww.bc.edu/wct/students.html>

Also, students having problems can first ask the help desk at the SLSC, and if their questions are not answered, send an email to [webct@bc.edu](mailto:webct@bc.edu).

## SYLLABUS

Date	Topics	Text Assignment	
<b>Jan</b>	<b>Part 1. Basic Concepts (Optional)</b>		
	<b>Part 2: Macroeconomics: The Study of Economic Growth and Business Cycles</b>		
	21, 23	Overview of Macroeconomics	20 4
	26, 28	Measuring Economic Activity	21 5
<b>Feb</b>	1/30, 2/2, 4	Consumption and Investment	22 6
	6, 9, 11	Business Fluctuations and the Theory of Aggregate Demand	23 7
	13	Midterm 1	
	16, 18	The Multiplier Model	24 8
	20, 23, 25	Money, Banking, and Financial Markets	25 9
<b>Mar</b>	27, 8, 10	Central Banking and Monetary Policy	26 10
	<b>Part 3. Economic Growth and Macroeconomic Policy</b>		
	12, 15, 17	The Process of Economic Growth	27 11
	19, 22	The Challenge of Economic Development	28 12
	<b>24</b>	<b>Midterm 2</b>	
	26, 29	Exchange Rates and the International System	29 13
<b>Apr</b>	31, 2	Open-Economy Macroeconomics	30 14
	<b>Part 4: Unemployment, Inflation, and Economic Policy</b>		
	5, 7, 14	Unemployment and the Foundations of Aggregate Supply	31 15
	16, 19, 21	Ensuring Price Stability	32 16
	23, 26	The Warring Schools of Macroeconomics	33 17
<b>May</b>	28, 30, 5/3	Policies for Growth and Stability	34 18
	5	Summary and Reviewing	
	<b>Final Exam</b>		<b>GOOD LUCK !</b>