

Boston College
Department of Economics
EC202.04 and EC202.05 Macroeconomic Theory
Spring / 2008

Dr. Orhan Akisik
Office Hours: MWF11:00-12:00
and by appointment

Campanella Way 21
440Q

Course description

Intermediate macroeconomic theory is a three-credit course at an undergraduate level. Macroeconomics examines the economy as a whole. It attempts to answer many questions about the functioning an economy such as: What causes recessions and depressions and what policies should be used to avoid them? Why is the inflation rate higher in some countries than the others? What factors lead to economic growth? The major topics to be discussed in this course include goods and financial markets, labor market, inflation, growth, and exchange rate systems.

As an instructor, my goal is that you gain fundamental information and skill to understand and analyze macroeconomic issues by the end of this semester

Conduct of the course

The course will be conducted in a way that the goal described above will be achieved. To this end, we will use a variety of tools, such as lecture, reading, and discussion of articles. Attendance is very important and guarantees the success in this course, so I want and encourage you to attend all the classes unless you have an important excuse. As an instructor, I will come prepared for every class, so I would like you to prepare, too. I will try to answer all your questions, if not immediately, as soon as possible after class.

Required textbook

Olivier Blanchard: “Macroeconomics”, Fourth Edition, Prentice Hall 2006.
Please be advised that although the textbook is required, we will not limit ourselves to the topics covered in the textbook. I am going to bring some interesting topics not covered in the textbook to your attention.

Supplementary textbooks and reading materials

Richard T. Froyen: “Macroeconomics – Theories and Policies”, Eight Edition, Prentice Hall 2005; Andrew B. Abel, Ben S. Bernanke, “Macroeconomics”, Fifth Edition, Pearson, Addison Wesley 2005; The Financial Times, The Wall Street Journal, and The Economist

Online links for further information

www.nber.org/cyles.html
www.bea.gov.
www.gpoaccess.gov/eop/
www.economist.com
www.whitehouse.gov/cea
www.federalreserve.gov/fomc
www.worldbank.org
www.imf.org.

Class hours

The class meets MWF at 2:00PM. It is highly recommended that you regularly attend all the classes because active, informed and continued presence will significantly increase the opportunity to master the course material.

Examinations

There will be four quizzes, two midterm examinations and one cumulative final examination. You will be allowed to drop the quiz with the lowest grade. So, only three best quizzes will count in your course grade. Examinations will consist of multiple choice and essay questions.

Quiz:	15 %
Midterm Exam –1:	25 %
Midterm Exam –2:	25 %
Final	35 %

Dates of Quizzes and Midterm Examinations

Quiz-1: January 28, Monday
Quiz-2: February 25, Monday
Quiz-3: March 24, Monday
Quiz-4: April 4, Friday
Midterm-1: March 7, Friday
Midterm-2: April 11, Friday

Course topics

Your textbook is an excellent one. It is comprehensive and easy to read. Therefore, I expect you do a lot of reading on your own. This will free class time to allow us to pursue other interesting activities. The following is a tentative outline of the course. You will be responsible for all assigned materials, including those not covered in class.

EC 202.05 Macroeconomic Theory

Dr. Orhan Akisik

- Chapter- 1: A Tour of the World
- Chapter- 2: A Tour of the Book
- Chapter- 3: The Goods Market
- Chapter- 4: Financial Markets
- Chapter- 5: Goods and Financial Markets: The IS-LM Model
- Chapter- 6: The Labor Market
- Chapter- 7: Putting All Markets Together: The AS-AD Model
- Chapter- 8: The Natural Rate of Unemployment and the Phillips Curve
- Chapter- 9: Inflation, Activity, and Nominal Money Growth
- Chapter-10: The Facts of Growth
- Chapter-11: Saving, Capital Accumulation, and Output
- Chapter-12: Technological Progress and Growth
- Chapter-18: Openness in Goods and Financial Markets
- Chapter-19: The Goods Market in an Open Economy
- Chapter-20: Output, the Interest Rate, and the Exchange Rate
- Chapter-21: Exchange Rate Regimes

Please kindly note that the syllabus is subject to change!