

Boston College
Department of Economics
EC 202 Macroeconomic Theory
Spring / 2010

Orhan Akisik

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PREREQUISITES: ECON132, CALC I

Course Description

Macroeconomic theory is a three-credit course at an undergraduate level. Macroeconomics examines the economy as a whole. It attempts to answer to many questions about the functioning of an economic structure, such as: what causes recessions and depressions, and what policies should be implemented to avoid them? Why is inflation rate higher in some countries than in 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, open economy, and exchange rate systems.

As an instructor, my goal is that you gain fundamental knowledge 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 reading, problem solving, and discussion of articles. Attendance is very important and guarantees the success in this course, so I would like you to attend all of the classes unless you have an important excuse. As an instructor, I will come prepared for every class, so I would like you to come prepared, too. I will try to answer all of your questions, if not immediately, as soon as possible after class.

Required Textbook

Olivier Blanchard: “Macroeconomics”, Fifth Edition, Prentice Hall 2009.

Supplementary Textbooks and Reading Materials

Richard T. Froyen: “Macroeconomics – Theories and Policies”, Ninth Edition, Prentice Hall 2005; Andrew B. Abel, Ben S. Bernanke, “Macroeconomics”, Fifth Edition, Pearson, Addison Wesley 2006; 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.

Examinations

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

Attendance	10%
Quiz:	10 %
HW :	10%
Midterm Exam –1:	20 %
Midterm Exam –2:	20 %
Final	30 %

Dates of Quizzes and Midterm Examinations

Quiz 1: February 12, Friday
Quiz 2: March 8, Monday
Quiz 3: April 26, Monday
HW 1: March 22, Monday
HW 2: April 26, Monday
Midterm 1: March 10, Wednesday
Midterm 2: April 16, Friday

Course Topics

Your textbook is an excellent one. It is comprehensive and easy to read. Therefore, I expect that 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 Macroeconomic Theory

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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!