

ECON E322
Intermediate
Macroeconomics
Spring 2006



INSTRUCTOR: Dr. Ali Rassuli **OFFICE:** KT 267 **OFFICE PHONE:** (260) 481-5771

COURSE PREREQUISITES: E202. (NOTE: Under the policies of the School, prerequisites will be strictly enforced.)

TEXT BOOKS:

1. Macroeconomics, Able and Bernanke, 5th edition (2005).
2. Study Guide to Accompany Macroeconomics, Croushore, 5th edition (2005). (Recommended)

COURSE OBJECTIVES:

Growth cycles, unemployment, and inflation are central issues in macroeconomics. In this class, the students will learn:

1. Consensuses that have formed over time on the functional relationships between macroeconomic variables based on experience and empiricism.
2. An IS-LM theoretical framework within which central macroeconomics issues are observed and analyzed.
3. How Keynesian and Classical schools of economic thoughts have approached macroeconomic theories and problems.
4. How government is trying to stabilize the macro economy through fiscal and monetary policies and simultaneously adjust for the challenges of the global economy.

TOPICAL OUTLINE

| Topic | Assignment |
|---|------------|
| Circular Flow Model and an Overview of the Economy | Lecture |
| Introduction to Macroeconomics | Chapter 1 |
| The Measurement and Structure of the National Economy | Chapter 2 |
| Productivity, Output, and Employment | Chapter 3 |
| Consumption, Saving, and Investment | Chapter 4 |
| EXAM I | |
| The Asset Market, Money, and Prices | Chapter 7 |
| The IS-LM/AD-AS Model: A General Framework for Macroeconomic Analysis | Chapter 9 |
| Business Cycles | Chapter 8 |
| EXAM II | |
| Classical Business Cycle Analysis: Market-Clearing Macroeconomics | Chapter 10 |
| Keynesianism: The Macroeconomics of Wage and Price Rigidity | Chapter 11 |
| Unemployment and Inflation | Chapter 12 |
| Government Spending and Its Financing | Chapter 15 |
| Final EXAM | |

Examinations and Grading Procedures

Your course grade will depend upon three examinations and your class/group participation and presentations as follows:

| | |
|-------------------------------------|-----|
| Weekly group presentations..... | 30% |
| First two exams, each..... | 20% |
| Final semi-comprehensive exam..... | 25% |
| Peer evaluation and attendance..... | 5% |

Selected review questions and problems from the end of each chapter will be assigned to team of students for in-class presentation every week. Team size will depend on the size of the class and can vary to up to four students per team. Each team will have equal number of presentations. But the total number of presentations will vary depending on the allotted length of time for each. Team work is intended to improve your comprehension of economic concepts and economic reasoning. It is also intended to polish your communication skills using economic jargon. To achieve these goals, you must share and not divide the assignments within your team.

Each exam will consist of multiple-choice and essay questions and problems. The final exam will be semi-comprehensive, i.e. in addition to chapters covered after the second test, the final exam will include chapter nine. Please note that the exams may consist of both individual and team components. Additionally, your contribution to your team will be evaluated by your peers.

Final grades will be determined according to the standard university scale (i.e., 90-100% = A, 80-89% = B, 70-79% = C, and so forth).

Make-up exams will be arranged only under extraordinary circumstances. Make-up exams are given at my discretion and may be essay exams to be taken **prior to** the next scheduled exam.

Exam questions are designed to test your **understanding** of the economic concepts and principles presented in class. Success in this class will be primarily a function of understanding, **not memorization!** The exams will require more than recall—they will also require application and analysis.

Additional Information

1. The topical outline presented in this syllabus is my estimate of how the course will proceed. Should we proceed other than estimated, course content and exam coverage will be appropriately adjusted.
2. Textbook reading assignments are a good source of preparation for class lectures, discussions, and activities. Good notes are in part a product of proper preparation. Since no textbook is without errors, read the text carefully. Feel free to ask me about anything in the text, which seems confusing and/or erroneous.
3. Feel free to ask questions, anytime inclass, about the material presented in class and/or the textbook.
4. Specific assignments will be given to you for in-class group learning activities.
5. If you have or acquire a disability and would like to find out what special services and accommodations may be available to you, contact Services for Students with Disabilities in Walb Union Rooms 118 and 125 (260-481-6657, voice/TTY).
6. Class attendance is mandatory. Points will be deducted for absenteeism.
7. The dates and coverage of each examination will be announced at least one week in advance.
8. Office hours are on Tuesdays from 10:30-12:00 noon; other times available by appointment.
9. E-Mail: rassuli@ipfw.edu Please do not communicate via Web CT.