

Macroeconomics 1
Spring 2011
Syllabus

Instructor:	Ashot Tsharkyan, M.A., Ph.D
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Language of Instruction:	English
Office Hours:	Friday, 12:00-13:00, room TBA
Semester:	21.02.2011 – 20.05.2011
Exam Period:	23.05.2011 – 01.07.2011

Course Description: The course introduces macroeconomics to students. It provides the basic measures that describe the development of an economy as a whole. A distinction is made between the long-run trend of the main macroeconomic variables and their short-run fluctuations. Respectively, a general description is given of the factors and the policy measures which affect macroeconomic development in the short run and in the long run. The course objectives can be summarized as follows:

- to provide students with basic knowledge about how economy could be analysed in general,
- to give students an intuition why sometimes prices increase or fall in all the markets, what makes production expand or contract in all industries from time to time, how rise in unemployment during recession could be explained
- to help students identify the general effects on the economy of one or another public policy,
- to enable students interpret correctly the short-run deviations of the macroeconomic variables from their long-run trends.

Grading: The overall course grade will be computed by converting into a grade-point score the total number of points gained from participation in class (10%), doing two homework assignments (10%), midterm (30%) and final (50%) written exams.

Teaching Strategy: The course is taught in English and is based on English-language academic sources. Each lecture session involves slide-presentation via digital projector. They closely follow the structure of the chapters in the textbooks suggested for the course. This helps students organize their notes in a consistent way that makes out-of-class reading more efficient.

Textbooks:

1. Mankiw, N.G., and Taylor, M.P. (2010), Economics: Special Edition with coverage of the world financial crisis, 1e, South-Western Cengage Learning EMEA, pp. 3-916.

Course Content

1. Lecture 1: Introduction to Macroeconomics (Mankiw, Ch. 23-24)
2. Lecture 2: Production and Growth (Mankiw, Ch. 25)
3. Lecture 3: Saving, Investment and the Financial System (Mankiw, Ch. 26-27)
4. Lecture 4: Unemployment (Mankiw, Ch. 28)
5. The Monetary System (Mankiw, Ch. 29, 30)
6. The Macroeconomics of Open Economies (Mankiw, Ch. 31, 32)
7. The Financial Crisis of 2007-2009 (Mankiw, Ch. 36-37)
8. Aggregate Demand and Aggregate Supply (Mankiw, Ch. 33)
9. The Influence of Monetary and Fiscal Policy on Aggregate Demand (Mankiw, Ch. 34)
10. The short-run Trade-off Between Inflation and unemployment (Mankiw, Ch.35)
11. European Monetary Union (Mankiw, Ch. 38)
12. Five Debates over Macroeconomic Policy (Mankiw, Ch.39)