

Masaryk University
Faculty of Economics and Administration
Lipová 507/41a, 602 00 Brno

Syllabus: BPE_MAC Macroeconomics I

Spring 2014

COURSE INFORMATION

Lecturer: Renata Ivanova, Ph.D. Candidate in Economics

Language of instruction: English

Lectures: Friday, 12:00-15:20, room S6

Consultations: Fridays (right after our class), otherwise by appointment.

Contact: rivanova@cerge-ei.cz

Course web page: http://is.muni.cz/el/1456/jaro2014/BPE_MAC1/

Course supervisor: doc. Ing. Libor Žídek, Ph.D.

OVERVIEW

The course is devoted to applications and policy. The major objective of the course is to help students to understand recent developments in macroeconomics. Over the semester, students will learn stylized facts of business cycle fluctuations, economic growth, and unemployment. Students will become familiar with macroeconomic data and will learn how to construct and use major macroeconomic statistics. We will analyze the issues of open economy such as gains from trade and implications of different exchange rate regimes. Finally, students will be familiarized with scope of policies used to improve macroeconomic performance.

READING MATERIALS

Main textbook: Mankiw, N.G. (2012) Principles of Macroeconomics, 6th edition. Harvard University: South-Western, Cengage Learning.

N!B! Any latter editions of the textbook you can find in the library would do.

Additional reading materials: Journal articles and handouts will be announced and/or distributed during the class and uploaded into the course web page.

CLASS ORGANIZATION

We will have one lecture and one practical session per week. The course includes a written midterm exam, four problem sets as homework assignments, a term paper, and a written final exam. You are encouraged to work on homework assignments in small groups of maximum 3 people. Each group submits only one hard copy of their solutions.

The material in the class is cumulative. I encourage you to keep up to date on a week-by-week basis. Trying to absorb all the concepts in two days before exam is not a good strategy for success!

GRADING

Your grade for the course will be based on your performance on the following items:

Assignment	Share in the final grade
Midterm exam	20 %
Homework	20 %
Term project	15 %
Final exam	40 %
Class participation/Quizzes	5 %
Total	100%

CLASS POLICIES

Late arrivals, cell phones, texting, private conversations and any other destructive behavior will be considered as inappropriate. You are **NOT** allowed to use laptops during the class.

Your active participation (questions and comments) during the class is expected. Please, do not be shy!
There are no silly questions!

ACADEMIC HONESTY

Cheating will not be tolerated and will be severely punished. No communication with fellow students or use of any materials (books, notes, or cheat sheets) during midterm test and final exam are allowed. You will get only one warning during an examination. A second warning will result in a failing grade for the assignment. No laptops or mobile phones are allowed during the midterm test and final exam.

COURSE CONTENT

I. Introduction

Class 1. Gross domestic product (GDP) and its components. National accounts. (Chapters 10-11)

II. The Economy in the Long Run

Class 2. Economic growth. The Solow-Swan Growth Model (Chapter 12).

Class 3. Economic Growth (Cont.) (Chapter 12).

Class 4. Labor markets and unemployment (Chapter 15).

Class 5. Money and Inflation (Chapters 16-17).

Class 6. The Open Economy (Chapter 17).

Class 7. MIDTERM EXAM

III. The Economy in the Short Run: Business Cycle Fluctuations

Class 8. The model of aggregate demand and aggregate supply (Chapter 20).

Class 9. The role of monetary and fiscal policies (Chapter 21).

Class 10. Aggregate supply and the short-run trade-off between inflation and unemployment (Chapter 22).

Class 11. International financial crises

Class 12. Macroeconomics policy debates

Good luck! ☺