

ECO62 Macroeconomic Analysis, Spring 2014

Section 1: Mondays and Wednesdays 11:00 am – 12:20 pm, Kahn Discovery Center KA120

Section 2: Mondays and Wednesdays 2:00 pm – 3:20 pm, Kahn Discovery Center KA121

Instructor: Udayan Roy

Course's Description (from the [Undergraduate Bulletin 2013–2014](#)): This course covers income and employment theory that deals with the dynamics of aggregate consumption, investment and government spending in relationship to stability and growth.

Course Credits: This is a 3-credit course. The New York State Education Department (NYSED) requires that for each credit hour there shall be at least 15 hours (of 50 minutes each) of instruction and at least 30 hours of supplementary assignments. Therefore, a 3-credit course shall meet for a minimum of 45 hours, each hour being 50 minutes, for a total of 2,250 minutes, and require at least 90 hours of supplementary assignments and readings outside of the lecture. Students should expect to spend at least 45 hours on reading (3 hours a week) and 45 hours on homework assignments (3 hours a week). Therefore, overall, you should expect to spend 135 hours on this course.

Prerequisites: Students are required to have successfully taken *Introduction to Macroeconomics* (ECO11 or equivalent).

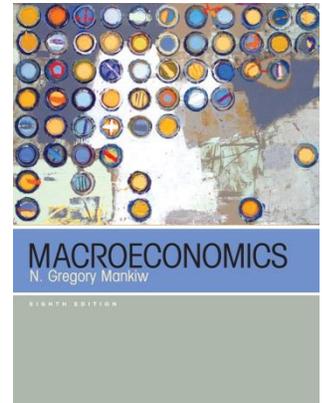
Course's Goals: As part of LIU Post's formal outcomes assessment process, the economics department has identified the following goal for this course: *Students will acquire an understanding of standard macroeconomic theory and be able to evaluate different policy prescriptions for macroeconomic problems. In particular, students will demonstrate an understanding of the effects of fiscal policy and monetary policy on national income, unemployment, and inflation.*

My goal is to emphasize two aspects of macroeconomics that make it unique in our undergraduate curriculum. First, macroeconomics is where students learn how to think about the economy as a collection of multiple markets that affect and are affected by each other. It is not enough to analyze the goods market, and then the asset market, and then the labor market, and so on; all markets must be analyzed together, as interacting arenas of economic activity. Second, macroeconomics is where students learn to think dynamically about the economy. It is important to understand how today leads to tomorrow, how tomorrow leads to the day after, and so on. This emphasis on the dynamic laws of motion of an economy also makes macroeconomics different.

Course's Required Textbook: *Macroeconomics*, Eighth Edition, by N. Gregory Mankiw, Worth Publishers, New York, New York, 2013, ISBN 978-1-4292-4002-4.

Chapters to be covered: I would like to cover as many of the 20 chapters of the textbook as possible. As fewer than 35 hours are available for lectures, it is likely that I will skip several chapters, including chapters 6, 7, 13, 14, and 16 – 19.

Recommended Study Guide: *Study Guide and Workbook to Accompany Macroeconomics by N. Gregory Mankiw* by Roger Kaufman, Worth Publishers, New York, New York, 2013, ISBN: 978-1-4641-0493-0. This study guide is recommended but not required.



Examinations and Grading: Your grade will be based on your performance in the *Midterm*, the *Final*, and *homework assignments*. In preparing the course grade I will use the following weights: 40% for the Final, 40% for the Midterm, and 20% for the homework assignments.

Midterm: The *Midterm* will be held on Wednesday, March 5. It will consist of multiple-choice and fill-in-the-blanks questions on the material taught prior to the day of the test.

Final: The *Final* will be held during Finals Week (on Monday, May 5 or Wednesday, May 7). The Final will be cumulative.

Blackboard Homework Assignments: The *homework* assignments may consist of computer-graded online quizzes within the Blackboard course management system. You will have to log on at <http://blackboard.liu.edu> and then go to the Blackboard page for this course to find and complete the online homework assignments. Use the *firstname.lastname* format as your username. The Blackboard password is the same as your My.LIU password; see <https://my.liu.edu/> for further details.

If you do not have a My.LIU password, please go to <http://csi.liu.edu/myLIU/> for further instructions. If you are still unable to log on to Blackboard, please contact the *Center for Student Information*. You could email them at StudentCenter@LIU.edu or call them at 516 299 3967 or go to their offices on the main floor of Hillwood Commons. In general, for all technology-related issues, please take a look at the Center for Student Information web site <http://csi.liu.edu>. Specifically, please see <http://csi.liu.edu/blackboard/students.aspx> for tutorials on the use of Blackboard.

Attendance Policy: The best possible grade (BPG) that you could get will depend on the number of your absences; see the accompanying table for details. You will be marked absent if you miss ten minutes or more of a lecture or if you are not attentive in class. You must not sign the attendance sheet if you are more than ten minutes late. Signing another person’s name on the attendance sheet amounts to forgery and will not be tolerated.

Absences	BPG
6, 7	B
8, 9	B-
10, 11	C+
12+	D

No make-up tests will be given for the Midterm or the Final unless there are compelling medical reasons supported by a valid doctor’s note. In case you cannot take a test at the scheduled time, you (or someone representing you) must inform me of the reason(s) not later than twenty-four hours after the test. Ideally, I should be told *before* the test. The reason(s) you give for missing a test will affect my

decision on whether or not you should get a make-up test but it will not affect your BPG. *Homework assignments completed late will not count.*

General Classroom Decorum: Students must make sure that their actions have *no adverse effects* on the ability of other students to learn and do their work. Students must behave *honorably* when taking quizzes and tests and report dishonorable behavior to the instructor when they see such behavior. When in the classroom, students must not engage in any activity that is not directly part of the course. In particular, students must not use computers, phones, or other entertainment devices in the classroom. Students who feel sleepy should leave the classroom and sleep elsewhere.

Students with Disabilities: The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for people with disabilities. Students with special needs as addressed by the ADA who need assistance should contact the Learning Support Center immediately; it is located in the lower level of Post Hall and its phone number is 516-299-3164. Please meet with me early in the semester if you require accommodations. I will make reasonable efforts to accommodate your special needs.

For more information, please visit The Learning Support Center at <http://www.liu.edu/CWPost/StudentLife/Services/LSC.aspx>. The Learning Support Center provides a full range of support services, educational strategies, and opportunities to help student achieve their personal, academic and vocational goals.

Course Calendar: The following is a tentative schedule for the course. I will do my best to stick to it. Nevertheless, I expect to stray from this schedule on a regular basis.

Lecture	Date	Day	Spring 2014
1	22-Jan	Wed	Ch. 1 (The Science of Macroeconomics)
2	27-Jan	Mon	Ch. 1
3	29-Jan	Wed	Ch. 2 (The Data of Macroeconomics)
4	3-Feb	Mon	Ch. 2; End of Add/Drop and Late Registration
5	5-Feb	Wed	Ch. 3 (National Income)
6	10-Feb	Mon	Ch. 3
7	12-Feb	Wed	Ch. 4 (The Monetary System)
8	18-Feb	Tue	Ch. 5 (Inflation); Monday classes
9	19-Feb	Wed	Ch. 5
10	24-Feb	Mon	Ch. 8 (Economic Growth I)
11	26-Feb	Wed	Ch. 8
12	3-Mar	Mon	Ch. 8; Review for Midterm
13	5-Mar	Wed	Midterm
14	17-Mar	Mon	Ch. 9 (Economic Growth II); Registration Begins for Fall 2014 (tentative)
15	19-Mar	Wed	Ch. 9
16	24-Mar	Mon	Ch. 10 (Introduction to Economic Fluctuations)
17	26-Mar	Wed	Ch. 11 (Aggregate Demand I)

18	31-Mar	Mon	Ch. 12 (Aggregate Demand II)
19	2-Apr	Wed	Ch. 12; Last Day to Opt P/F or Withdraw is April 4
20	7-Apr	Mon	Ch. 15 (A Dynamic Model of Aggregate Demand and Aggregate Supply)
21	9-Apr	Wed	Ch. 15
22	14-Apr	Mon	Ch. 15
23	16-Apr	Wed	Ch. 20 (The Financial System: Opportunities and Dangers)
24	21-Apr	Mon	Ch. 20
25	23-Apr	Wed	Ch. 20
26	28-Apr	Mon	Review for Final; Last lecture
	30-Apr	Wed	Study Day/Snow Day/Alternate Class Days
	5-May	Mon	Final (tentative)
	7-May	Wed	Final (tentative)
	9-May	Fri	Commencement
	16-May	Fri	Conferral of May Degrees

Contact Information: My *office* is at Room 206, Hoxie Hall (across from the Bookstore). My office *phone number* is (516) 299 2405/2321. My *e-mail address* is uroy@liu.edu. My own *Web site* is at <http://myweb.liu.edu/~uroy/> and you can follow me on Twitter @UdayanRoy62. My *mailing address* is: Udayan Roy, Economics Department, LIU Post, Brookville, NY 11548.

Office Hours: My *office hours* are: 12:30 pm – 2:00 pm on Mondays and Wednesdays, and 5:00 pm – 5:30 pm on Wednesdays. For any *other* hours, a prior appointment will be necessary. Please stop by whenever you need any help with your coursework. During my office hours, you may also contact me by Skype; my Skype ID is *udayan-eco*.

Web Sites: The course's *Web site* is at <http://myweb.liu.edu/~uroy/eco62/>. This web site contains a wealth of material for students including my PowerPoint lecture notes, and an up-to-date course calendar. The *Web site* for this course's textbook is at <http://worthpublishers.com/Catalog/product/macroeconomics-eighthedition-mankiw>. It has a lot of material that might be of use to you.

Have a great semester!