



## **EC 102 M1 - GLOBAL MACROECONOMICS**

Spring 2018

### **Instructor Information:**

**Instructor:** Staff

**Phone:** 91-533-5935

**Office:** Humanities & Social Sciences office, top floor

**Office Hours:** Tuesday and Thursday 14:00-15:00

**Homepage:** [www.suffolk.edu/academics/18429.php](http://www.suffolk.edu/academics/18429.php)

### **Course Information:**

**Class Meetings:** Tuesday and Thursday, 10:45 – 12:15- Room 1

**Catalog Description:** The course examines the workings of the national and the global economy. It will describe the determination of Gross Domestic Product, the problems of unemployment, inflation, and the determination of economic growth. It will also describe and analyze the determination of the country's exchange rate, the balance of payments, and international borrowing and lending. A particular focus will be on understanding economic fluctuations (booms, busts, and recessions) in the domestic economy and its effects on other economies. It will analyze the role of the government and the effects of government spending and taxation on the economy. Furthermore, it will describe and analyze the determination of the quantity of money and interest rates in the economy and the role of the country's central bank. It examines the basis and pattern of international trade and the effects of a country's trade policy on the economy.

**Prerequisites:** None

**Credit Hours:** 3

This course follows the US Federal Government's Credit Hour definition: "An amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutional established equivalence that reasonably approximates no less than:

- (1) One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time; or
- (2) At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours."

For full up-to-date statement:

[https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy On Credits And Degrees.pdf](https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111-Policy%20On%20Credits%20And%20Degrees.pdf)

A more detailed breakdown of the student engagement is given below:

Assignment/Activities	Engagement Estimate	Engagement Hours
Course Readings	160 pages x 10 min per page	27 hours
Review Power point	20 hours	20 hours
Applied & homework exercises	20 hours preparation	20 hours
Midterm exam	10 hours preparation	10 hours
Final paper	14 hours preparation	14 hours
Class attendance	3 x 15 hours	45 hours
Final Exam	15 hours	15 hours
<b>TOTAL</b>		<b>151 engagement hours</b>

**Textbook/Course Materials:**

Samuelson, P.A. & Nordhaus, W.D., *Economics*, 19<sup>th</sup> edition. McGraw-Hill, New York, 2010.

**Course Goals & Learning Objectives:**

Upon successful completion of this course, students will know/understand	Upon successful completion of this course, students will be able to	How the student will be assessed on these learning outcomes:
two central themes in Macroeconomics: the short run fluctuations in output, employment, financial conditions and prices (business cycles) and the long term trends in output and living standards known as economic growth.	describe how to measure economic activity, unemployment, inflation, balance of payments, and a nation's net global indebtedness.	<ul style="list-style-type: none"> <li>• Homework: assigned exercises for each chapter of the textbook and present-day economic news</li> <li>• Appropriate participation in group discussions, demonstrating ability to support an economic argument and respond to opposing arguments.</li> <li>• Midterm and Final exams</li> </ul>
	explain economic growth and analyze why some nations grow faster than others	
	explain the concepts of aggregate demand and aggregate supply, and their roles in the determination of national output and the price level in the short run and the long run, and to explain how changes in aggregate demand and aggregate supply affect the business cycle.	
the world of macroeconomic decisions and their impact on society.	compare the economies of different countries using the macroeconomic indicators, GDP rate of growth, GDP per capita, labor force market, government accounts, balance of payments, financial indicators. Gain facility with accessing national and international databases and use the data to analyze economic issues.	Results of working in computer lab: <ul style="list-style-type: none"> <li>• use the international database</li> <li>• select the macroeconomic indicators that they need</li> <li>• interpret the graphs that Ss are required to do using real information</li> </ul>
the instruments of Fiscal and Monetary Policy. how to identify their results in the economy.	define saving and investment, and explain the role of global capital mobility in the global loanable funds market. Describe and evaluate fiscal policy, budget deficits, public debt, and their impact on the economy. Describe how central banks such as the Federal Reserve, and the European Central Bank, implement monetary policy, and influence the supply of money, and interest rates.	<ul style="list-style-type: none"> <li>• analyze the economic policy in the different stages</li> <li>• show and explain the results to the rest of classmates</li> </ul>

Foreign US economic policies and current trends, in comparison with economic policies in the past.	understand the basis for trade and describe the extent and role of international trade. Analyze the effects of national trade policies on the home economy, the foreign economies, and the world economy, particularly in the context of the World Trade Organization.	Results of the term paper: <ul style="list-style-type: none"> <li>oral presentation of the term paper.</li> <li>evaluation of how the Ss support their arguments for/against economic policies in different countries</li> </ul>
	analyze the current situation as the result of past policies.	
	develop an arguable position to compare the macroeconomic policies of USA with other countries.	

### **Course Policies:**

Papers and written assignments must be printed out on paper and handed in during class time. Homework may not be sent by e-mail beyond the established deadline. Final papers submitted after the established deadline **WILL NOT** be accepted.

### **Classroom policies:**

- Students are not allowed to eat in class.
- *Use cell phones* only for academic purposes.
- Student conduct: Students are expected to follow all university policies on academic conduct (e.g., those regarding plagiarism and cheating, being cooperative and respectful with their classmates and instructors, etc.). The first incidence regarding academic conduct will be dealt directly with the instructor. **Two incidences will immediately be turned in to Suffolk authorities for immediate correction.**
- Students must remain in the classroom throughout the class meeting (except for emergencies).

### **Grading/Evaluation:**

<i>Midterm Exam</i>	<i>25%</i>
<i>Final Exam</i>	<i>25%</i>
<i>Term paper and presentation</i>	<i>20%</i>
<i>Presentation of homework</i>	<i>15%</i>
<i>Presentation of computer's work</i>	<i>10%</i>
<i>Participation in class</i>	<i>5%</i>

### **Assignments/Exams/Papers/Projects:**

Students will be evaluated in the following areas:

**Homework.** Students are required to work on assigned exercises and questions daily, and to discuss them in class. The class on Thursdays (as a rule) will consist on the presentations of each student of his/her homework supervised by the professor.

**Computer class.** The course will have at least 5 sessions of computer work. Windows Excel knowledge is necessary. Using the databases of International Monetary Fund and Eurostat, students have to make short term analysis and structural analysis of some current macroeconomics problems.

**Term paper.** Students will write a term paper on a contemporary macroeconomic issue (financial crises, central bank decisions, public policy, economic programs of new governments, etc.). The objective of the papers is to develop analytical skills and the ability to assume and defend a position regarding economic and political issues. Students must choose a topic. The paper will be due in April and must be accompanied by a full bibliography.

- The papers must have complete, correctly prepared footnotes.
- Format: Word Document, Times New Roman/Tahoma 12, 1.5 interlined space, text fully justified
- Extension: A **minimum of 10 pages** (including graphs, tables, etc.)

### **Participation/Attendance Policy:**

The SUMC Student Handbook states the following:

*Once a student is registered for a course, attendance at every meeting of every class is expected, including those held in the first week of the semester. A maximum of two unjustified absences is permitted. Each additional absence will cause the final course grade to be lowered by one-third of a letter grade, i.e., from A to A-; A- to B+; B+ to B, etc.*

*Excessive absences in a course will have a negative effect on the final grade. When a student is absent, the quality of his or her work in a course will deteriorate since material missed in class sessions can rarely be made up satisfactorily, even though the student remains responsible for that work.*

*Please note that even when a student has a justified reason for missing class, such as illness, the negative academic impact on learning will be the same as if the absence were for spurious reasons.*

*In this course, any absence due to illness should be justified by a note from the student's physician or other health professional confirming the day(s) on which the student was unable to attend class. A written excuse from a student's host parent or residence supervisor is also acceptable.*

*In the event that a class meeting is unexpectedly cancelled, students will be expected to continue with readings or other assignments as originally scheduled. Any assignments due or class activities (e.g., a quiz, exam or presentation) planned for such a cancelled class are due at the next class meeting unless other instructions are communicated.*

### **Disability Statement:**

If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in my classroom.

If formal, disability-related accommodations are necessary, it is very important that you be registered with the Office of Disability Services (ODS) at the main Campus in Boston so that I am notified of your eligibility for reasonable accommodations. We can then plan how best to coordinate your accommodations. Check the ODS web site at [www.suffolk.edu/disability](http://www.suffolk.edu/disability) for information on accommodations.

### **Student Resources:**

SUMC provides a range of student services, both academic and personal. To learn more about course-related tutorials and academic workshops, refer to the SUMC Student Handbook, Section 2 "Academic Policies and Services". Section 5, "Living in Madrid", contains information on the medical and mental health resources, including an English-speaking therapist, available to you.

### **Midterm Review:**

At midterm, around week 6, you will be given a midterm grade based on your progress to date and performance on presentations, quizzes and the midterm exam. Midterm grades of C- or below will be reported to the Madrid Campus Academic Standing Committee, with an explanation of what I believe has contributed to that grade: excessive absences, poor time management or study skills, lack of effort, difficulty with the course material or with writing or language skills, etc. The Academic Standing Committee or I may contact you to suggest strategies for addressing these difficulties. I strongly encourage you to visit me during my office hours so we may discuss how you can be successful in this class.

**Academic Misconduct:** [www.suffolk.edu/studenthandbook/19863.php](http://www.suffolk.edu/studenthandbook/19863.php)

Suffolk University expects all students to be responsible individuals with high standards of conduct. Students are expected to practice ethical behavior in all learning environments and scenarios, including classrooms and laboratories, internships and practice, and study groups and academic teams. Cheating, plagiarism, unauthorized collaboration, use of unauthorized electronic devices, self-plagiarism, fabrication or falsification of data, and other types of academic misconduct are treated as serious offenses that initiate a formal process of inquiry, one that may lead to disciplinary sanctions.

Student work will be thoroughly examined for academic integrity and may be scanned using plagiarism detection software. A faculty member suspecting academic misconduct will contact the student using the Suffolk email address to schedule a meeting and will make all effort to do so within five business days of detecting the incident. During the meeting, the faculty member will present the documentation that led to suspected academic misconduct. Resolution of the incident will be according to the procedures outlined in the SUMC Student Handbook.

**Academic Grievances Policy:**

[www.suffolk.edu/studenthandbook/67192.php](http://www.suffolk.edu/studenthandbook/67192.php)

**Course Schedule:**

The schedule, policies, procedures, and assignments in this course are subject to change in the event of extenuating circumstances, by mutual agreement, and/or to ensure better student learning.

Week	General topic of lesson	Readings or other assignments due
1	Lesson 0: Presentation of the course	none
2	Lesson1: What's macroeconomics? Fundamentals. Part I and II	Homework. Exercises from textbook chapter 1. Study chapter 1
3	Lesson 2. Part I: Measuring macroeconomic activity: macroeconomic indicators.	Homework. Exercises from textbook chapter 19. Study chapter 19
4	Lesson 2. Part II: Measuring macroeconomic activity: macroeconomic indicators. Fiscal consolidation and economic growth	Homework Exercises from textbook chapter 20. Study chapter 20
5	Applied lesson. Computers work	Interpretation of the results. Use textbook chapter 22
6	Revision for Midterm exam	
7	Midterm exam	22 February
8	Lesson 3. The fundamentals: aggregate Supply and Aggregate demand	Homework Exercises from textbook chapter 19 and 22
9	Applied lesson 3 computers	Discussion of results
10	Lesson 3: The fundamentals: aggregate Supply and Aggregate demand	Homework Exercises from textbook chapters 19 and 22
11	Lesson 4: Consumption, savings and Investment. The Fiscal Policy	Homework Exercises from textbook chapter 21
12	Lesson 5: The Market for loan funds and the Monetary Policy	Homework Exercises from textbook chapter 21
13	Applied lessons 4 and 5	Web pages: <a href="http://www.imf.es">www.imf.es</a> and <a href="http://www.bea.gov">www.bea.gov</a>
14	Lesson 6: contemporary macroeconomic debates. Presentation in class of term papers	Presentation of term paper. Discussion in class
15	Review for the final exam	
	Final Exam	8 May