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| **Course Code:** | **ECN323** |
| **Course Title:** | Intermediate Macroeconomics |
| **Number of NDU Credits:** | **3** |
| **Pre-Requisite(s)** | ECN211 and ECN212 |

**Faculty member responsible for the course**:

Dr. Charbel Bassil - Associate Professor

Faculty of Business Administration and Economics

Office hours: M, 3:00 – 4:00 ; Office B269

Class time: MWF, 1:00 – 2:00 ; Room B122

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**Course Description and Intended Learning Outcomes**

This course covers the main topics of macroeconomics. We analyze the forces of the market and the determinants of the general level of output, prices, and employment. We also tackle the relationship between economic growth and business cycle fluctuations. Finally, we study the policies needed to achieve full employment and price stability. This course is in contrast with principle of macroeconomics course which is more general and descriptive. The latter avoids how macroeconomists think while this course will put as much emphasis on empirical macroeconomic examples, history of macroeconomic thought and macroeconomic theory itself.

The prerequisites are taken seriously and you are expected to have a **command** over this material. If you do not, please drop the class immediately. It is strongly suggested that you review this material at the beginning of this course. In addition, I will consider that students are good enough in mathematics, especially basic algebra. If you think that you have problem with your mathematical skills, please contact me as soon as possible.

After completing this course, students should be able to:

**LO1.** Understand basic concepts such as inflation, unemployment, growth and other topics;

**LO2.** Apply theoretical macroeconomic tools to real life problems;

**LO3.** Interpret macroeconomic models and relations such as Solow model, IS/LM model, AS/AD model, Okun’s law, Philips relation …

**LO4.** Discuss national and international macroeconomic policies;

**LO5.** Employ math and graphical representation in macroeconomic analysis;

**LO6.** Communicate effectively in writing.

**PS.** Matrix outlining the relationship between ILOs and Program’s Goals and Outcomes are included in the Course Notebook.

**Learning strategies and contents of the course**

This course relies on:

* Lectures on white board;
* Discussions based on readings;
* Problem solving on white board.

Lectures are used to explain theoretical concepts in macroeconomics while problems relate theory to application. Documents and lectures will be posted on my personal web page <http://sites.google.com/site/cbassile/>.

The first two chapters are introductory chapters:

1. The Science of Macroeconomics
2. The Data of Macroeconomics

They will not be explained in class, I recommend you to read them yourself especially if you have some difficulties with the pre-requisite ECN212.

Topics that will be covered are the following:

1. National income: Where it Comes From and Where it Goes
2. The Monetary System: What It Is and How It works
3. Inflation: Its Causes, Effects, and Social Costs
4. Unemployment and the Labor Market
5. Economic Growth I: Capital Accumulation and Population Growth
6. Economic Growth II: Technology Empirics and Population
7. Introduction to Economic Fluctuations
8. Aggregate Demand I: Building the IS-LM Model
9. Aggregate Demand II: Applying the IS-LM Model
10. Aggregate Supply and the Short-Run Tradeoff Between Inflation and Unemployment
11. The Open Economy
12. The Open Economy Revisited: The Mundell-Fleming Model and the Exchange-Rate Regime.

**Assessment criteria and grading scheme**

The assessment will call upon students to demonstrate the ability to:

* Understand the acquired material;
* Solve problems;
* Analyze a Lebanese economic problem and propose adequate solutions;
* The capacity to critically evaluate economic research;
* The ability to produce economic research.

The course grade will be based on two midterm exams and a final exam. If your grade is higher than 60 on the three exams, the overall course grade will be computed using whichever of the following is highest:

**Rule 1:** 20% Exam 1 + 20% Exam 2 + 40% Final + 15% Project + 5% Participation

**Rule 2:** 30% Exam 1 + 50% Final + 15% Project + 5% Participation

**Rule 3:** 30% Exam 2 + 50% Final + 15% Project + 5% Participation

But if it is not the case I will only use **Rule 1**.

You will write a research paper on an economics topic of your choice. The final product should be approximately 10 pages, double spaced, and must involve at least some original statistical analysis of data. **You are** **strongly encouraged to co‐author your paper with up to one other student in the class, but you may** **write a paper on your own if you prefer.** In the case of co‐authorship, I expect the paper to be more in depth.

Exam 1 covers topics 1 to 5

Exam 2 covers topics 6 to 10

Final exam is comprehensive

Exam dates will be announced on blackboard one week before the exam.

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| **Grade** | **Description** | **Quality Point Value** | **Percentage Equivalent** |
| *A+* | Outstanding | 4.0 | 97-100 |
| *A* | Excellent | 4.0 | 93 - 96 |
| *A-* | Very Good | 3.7 | 89 - 92 |
| *B+* | Good | 3.3 | 85 - 88 |
| *B* | Good | 3.0 | 80 - 84 |
| *B-* | Good | 2.7 | 77 - 79 |
| *C+* | Satisfactory | 2.3 | 73 - 76 |
| *C* | Satisfactory | 2.0 | 70 - 72 |
| *C*- | Passing | 1.7 | 66 - 69 |
| *D+* | Passing | 1.3 | 63 - 65 |
| *D* | Lowest Passing | 1.0 | 60 - 62 |
| *F* | Failure | 0.0 | 0 - 59 |
| *UW* | Unofficial Withdrawal | 0.0  The grade “*UW”* is assigned by the instructor when a registered student has never attended a class or has ceased attending and has not submitted an official course withdrawal request to the Office of the Registrar. This grade is computed as an *F* grade in the grade-point average. | |

**PS.** The instructor reserves the right to change the frequency and dates of phase tests subject to adequate notice period being given.

**Course learning materials**

*Required readings:*

The textbook for the course is Macroeconomics, ninth edition, by Gregory Mankiw, Worth, Publisher. In this course we will follow the main structure of the book. That is why I hardly recommend you to buy the book. It is also available in the Campus Library. I will assume that you have access to the book any time and any date. Thus, I expect that you read the chapter in question before coming to class. There may be supplementary readings to clarify some additional points.

*Recommended readings*

1. Milton Friedman, *Capitalism and Freedom*
2. Steven D. Levitt and Stephen J. Dubner, *Freakonomics*
3. Steven D. Levitt and Stephen J. Dubner, *SuperFreakonomics*
4. Nouriel Roubini, *Crisis Economics*
5. Alan Greenspan*, The Age of Turbulence*
6. Nassim Nicholas Taleb*, The Black Swan*
7. Nassim Nicholas Taleb*, Fooled by Randomness*
8. Nassim Nicholas Taleb*,Antifragile*
9. Joseph Stiglitz, *Freefall*
10. Daron Acemogly and James Robinson *Why Nations Fail*
11. Paul Krugman *End This Depression Now*

*Supplementary readings:*

1. Olivier Blanchard, Macroeconomics, Fifth Edition, Pearson 2010.
2. Charles I. Jones, Introduction to Economic Growth, Second Edition, 2001.
3. The Economist, [www.economist.com](http://www.economist.com)
4. The Wall Street Journal
5. Gregory Mankiw’s blog, <http://gregmankiw.blogspot.com/>
6. Paul Krugman’s blog, <http://krugman.blogs.nytimes.com/>

**Corporate connections**

This course tackles the role of banks in creating money and promoting growth.

**International dimensions**

In the part concerning economic growth we explain the gap between poor countries and rich countries. We then explain why poor countries may or may not converge to the standard of living of the rich countries.

**Social aspects**

In this course we discuss questions related to the social cost of inflation and unemployment.

**Contribution of research**

Students are asked to write a short research paper.

**Important class rules and academic misconduct**

I will take attendance at the beginning of each class but I will not put a grade for in-class participation. You are no more at school, we expect that you have a responsible attitude and participate strongly in class. I will refer to the attendance sheet in case a student asks me a re-evaluation for some reason.

For the proper conduct of the class please arrive on time so as not to disturb the students already present. Any delay, even a few minutes, is not allowed.

Early departure from class is allowed only when the student obtains my permission in advance.

All cellular phones should be turned off in class. If a cellular phone rings in class, the student will be asked to leave the classroom.

During all the exams documents and notes are not allowed.

There will be no make-up exams. Failure to sit for a scheduled test and/or final exam will result in an F on the test/exam. I will not postpone exams because of deadlines in other courses or crowded exam schedule. However, the exam may be postponed only for official notifications or requests from the head of the department or the university. Special exam times will be arranged only for a student with substantive and unavoidable reasons for missing the regular exam. Anyone who must miss an exam should notify me at least one week before the scheduled exam. The only exceptions to this rule will be a verified, serious illness or serious family emergency. Even in this case, student should make sure to notify me of the illness prior to the exam.

While understanding that we all are busy with school, work, and family, your decision to register for this course is an indication that you have made it a high priority. Thus, extensions of assignment due dates are given only in extreme situations (death of a close family member, hospitalization, etc.) and require documentation on your part. Otherwise, due dates are fixed and non-negotiable. All assignments should be submitted on or before the assigned due date. Assignments past the due date will not be accepted for full credit. Examples of unreasonable extensions for an assignment include frequent computer malfunctions, outside class-work, or job responsibilities that inhibit meeting the required deadlines. If you anticipate missing a deadline on an assignment, you should send me an e-mail before the deadline. Unexcused assignments submitted after the due date may be returned ungraded or assigned a lower evaluation. Whether an extension is allowed will be at my discretion.

Students must attend class with the required material (i.e. original textbook, notebook, pens, etc.).

Students must check their NDU email daily as this is a mean to communicate with you. Students will receive notice via NDU email when I post announcements on the course's Blackboard.

**NDU policies:**

According to the University’s rules any student who misses more than six classes (MWF) or four classes (TTh) will be asked to withdraw definitely from the class.

Special needs: Any student who feels s/he may need an accommodation due to a disability should contact the instructor privately to discuss those specific needs.

Notre Dame University – Louaize is committed to a policy of honesty in all its operations, especially those pertaining to academic matters. Academic and/or disciplinary penalties for misconduct in academic affairs are implemented according to the policies and guidelines of NDU. It is the student's obligation to be aware of his/her responsibilities. The following are extracts of NDU’s policies regarding academic integrity:

Students are expected and encouraged to be honest and to maintain the highest standards of academic integrity in their academic work and assignments at the University. They shall refrain from any academic dishonesty or misconduct including but not limited to:

* Plagiarism; that is, the presentation of someone else‘s ideas, words or artistic, scientific, or technical work as one‘s own creation. Also, paraphrasing, summarizing, as well as well as direct quotations are considered as plagiarism, if the original source is not properly cited.
* Cheating.
* Assisting in cheating.
* Substituting a student in the taking of an examination.
* Substituting examination booklets.
* Submitting the same work for more than one course and the like. S
* Submitting papers written by others.
* Receiving or providing unauthorized help or assistance in any academic work or assignment.
* Intentional violation of program and degree requirements and regulation as established by the University.
* Dishonest reporting of computational, statistical, experimental, research, results, or the like.