

# ECON222: MACROECONOMICS

**Course Overview:** This course presents principles and theories of macroeconomics with emphasis on economic policies and their impact on the national welfare. Special attention is given to the application of economic thinking methods to solving the macro economic problems. | 3 credits

## Grading

Discussions & Journals	30%
Quizzes on readings	10%
Written assignments	30%
Exams	30%

# COURSE SCHEDULE

## **Week 1: Introduction to Economics**

Topics: What is Economics, and why is it important? Microeconomics and macroeconomics, how models are used to understand economics, an overview of economic systems

## **Week 2: Choice in a World of Scarcity**

Topics: How individuals make choices based on their budget constraints, the production possibilities frontier and social choices, confronting objects to the economic approach

## **Week 3: Demand and Supply**

Topics: Demand, supply, and equilibrium in markets, shifts in demand and supply for goods and services, changes in equilibrium price and quantity: The four-step process, price ceilings and price floors, demand, supply and efficiency

## **Week4: Applications of Demand and Supply**

Topics: Work in labor markets, financial markets, price elasticity of demand and price elasticity of supply

## **Week 5: Elasticity**

Topics: How demand changes with price, perfect elasticity, perfect inelasticity, unitary elasticity

## **Week 6: Gross Domestic Product**

Topics: Measuring the size of the economy, adjusting nominal values to real values, tracking real GDP over time, comparing GDP among countries

## **Week7: Economic Growth**

Topics: How to measure economic growth, components of economic growth, economic convergence

## **Week 8: Unemployment**

Topics: How economists compute unemployment rate, patterns and causes of unemployment

## **Week 9: Inflation**

Topics: Cost of living, consumer price index, economic benefits and challenges of inflation

## **Week 10: The aggregate demand/aggregate supply model**

Topics: Macroeconomics models of demand and supply, shifts in aggregate supply and aggregate demand, Keynes's Law and Say's law in the AD/AS model

## **Week 11: The Keynesian and neoclassical perspectives**

Topics: Keynesian analysis, the Phillips curve, balancing Keynesian and neoclassical models

## **Week 12: Money and banking**