**MiF Program
Spring 2022**

**MFIN859 – Economics for Financial Managers**

**Instructor:** Ata Can Bertay

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**Web:** SuCourse

**Office Hours:** By appointment.

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| --- | --- | --- | --- |
| **Type** | **Time** | **Days** | **Where** |
| Class | 09.40-19.30 | All week | Zoom |

**Course Objective:**

This course introduces students to the principles of macroeconomics covers various topics in macroeconomics through applications from intermediate level topics and is designed to provide students with the essential background and tools for managers and executives in macroeconomics. The course outline is compatible with the second portion of CFA Level-I exam topics in economics.

**Learning Outcomes:**Upon successful completion of the course, the student should be able to:

1. Describe the primary issues addressed in macroeconomics.
2. Differentiate among the three approaches to national income accounting and explain how GDP is measured.
3. Identify factors that affect labor market equilibrium and goods market equilibrium.
4. Explain how balance of payments is calculated.
5. Discuss the sources of economic growth and the fundamentals of growth accounting.
6. Discuss the fundamentals of asset market equilibrium and the relationship between money and prices.
7. Explain the IS-LM/AD-AS Model.
8. Use aggregate demand and aggregate supply to describe the impact on business cycles of various shocks.

**Course Material:**

Abel, A. B., Bernanke, B., & Croushore, D. (10th Global Edition). *Macroeconomics*. Pearson Higher Ed. Abbreviated as [ABC]

**List of Cases and Simulations**

Sabancı University has subscription to the Harvard Business Publishing Cases. Students can download the following cases free of charge from the HBP website (details will be shared later). Here is the link to the coursepack: <https://hbsp.harvard.edu/import/913029>

**Optional Reading Material:**

Moss, D. A. (2014, 2nd Edition). *A concise guide to macroeconomics: what managers, executives, and students need to know.* Harvard Business Press.

The Wall Street Journal, Bloomberg Businessweek, The Economist, Financial Times.

**Course Web:**

SuCourse will be actively used throughout the semester. Students should check their accounts frequently to ensure that they have the most recent course materials. Course announcements, assignments, case questions, etc. will be posted on SuCourse.

**Instructional Design:**

The course will include lectures to introduce relevant concepts and to discuss the course material. **Students are expected to arrive to the class prepared for that day’s content (i.e. the relevant ABC Chapters).** Student participation will be ensured by case studies, in-class problem sets and discussions.

**Grading**:

|  |  |
| --- | --- |
| In-class participation | : 10% |
| Case Studies | : 40% |
| Simulation paper | : 10%  |
| Take-home Exam | : 40% |

All exams will be open book/notes and may consist of a combination of multiple choice questions, problems and short essays. Participation grade is determined based on the in-class case study and other discussions.

**Requirements:**

*Lectures & Attendance*

Students are expected to attend all lectures and participate in discussions. Participation to in-class discussions constitutes 10% of the overall grade and the cases makes up another 10%. Lectures start on time. If you arrive late, please take your seat quietly without distracting others. Missed lectures are at students’ own responsibility.

*Case Study Participation*

Students are expected to get prepared for case studies (read papers/notes and/or provide answers to case study questions). If they participate in these case study classes, they will receive participation grade -as long as the participation is relevant to the discussion. That is, students should not just get air time in class but actual contribution to the learning in the classroom is important in the participation grade (individual grading).

*Make-up Exams*

There are no make-up exams unless a situation arises which was not foreseeable and which was not under the control of the student. Requests for make-ups must be made directly to me as soon as possible and must be accompanied by relevant documentation (e.g., official doctor’s report from the campus health center in case of health problems, a letter from your advisor in case of a family emergency).

Final exam policy: you will be required to take a make-up exam two to three days after the final exam date.

*Grading*

Students should write up their objections and submit them to me no later than a week after receiving their graded work. This document should clearly explain the basis of objection. Except for minor grading errors, no verbal objection is accepted.

*Special needs students*

Any student who, because of a disability, requires some special arrangements in order to meet course requirements should contact me as soon as possible to make the necessary accommodations.

*Updates*

Changes or additions to any of the policies above, if any, will be announced on the course website.

**Academic Honesty:**

Learning is enhanced through cooperation and as such you are encouraged to work in groups, ask for and give help freely in all appropriate settings. At the same time, as a matter of personal integrity, you should only represent your own work as yours. Any work that is submitted to be evaluated in this class should be an original piece of writing, presenting your ideas in your own words. Everything you borrow from books, articles, or web sites (including those in the syllabus) should be properly cited. Although you are encouraged to discuss your ideas with others (including your friends in the class), it is important that you do not share your writing (slides, MS Excel files, reports, etc.) with anyone. Using ideas, text and other intellectual property developed by someone else while claiming it is your original work is *plagiarism*. Copying from others or providing answers or information, written or oral, to others is *cheating*. Unauthorized help from another person or having someone else write one’s paper or assignment is *collusion*. Cheating, plagiarism and collusion are serious offenses that could result in an F grade and disciplinary action. Please pay utmost attention to avoid such accusations.

**Classroom policies and conduct**

Sabancı MiF Program values participatory learning. Establishing the necessary social order for a participatory learning environment requires that we all:

* Come prepared to make helpful comments and ask questions that facilitate your own understanding and that of your classmates. This requires that you complete the assigned readings for each session before class starts.
* Listen to the person who has the floor.
* Come to class on time.

**Course Schedule:**

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| --- | --- | --- |
| **Day 1** | **Date:** | **14 February 2022** |
| Topic: | ABC Chapter 1, 2, 3 |
| Requirements: | The Economics of Competitive Markets and BE Oil Case |
| **Day 2** | **Date:** | **15 February 2022** |
| Topic: | ABC Chapter 4, 5 |
| Requirements: | An Brief Intro to Macro Case |
| **Day 3** | **Date:** | **16 February 2022** |
| Topic: | ABC Chapter 6, 7, 8 |
| Requirements: | The IS/LM case |
| **Day 4** | **Date:** | **17 February 2022** |
| Topic: | ABC Chapter 9, 10 |
| Requirements: | The AS/AD case |
| **Day 5** | **Date:** | **18 February 2022** |
| Topic: |  |
| Requirements: | Brazil Case, HBS Econland Simulation |
| **Day 6** | **Date:** | **19 February 2022** |
| Topic: | **Take-home Exam** |
| Requirements: |  |