

Faculty of Arts and Social Science
Macroeconomics (Economics 202)

Riccardo Franceschin

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Instructor

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Course Organization:

The course has 3 hours of classes per week. For section A we will have 2 hours on Monday and 1 hour on Wednesday. For section B we will have 1 hour on Monday and 2 hours on Wednesday.

Recitation hour will **not** be held every week. It will be announced via email if on Friday there will be a recitation hour in which exercised will be solved.

Course Objectives

In macroeconomics we study the aggregate performance of the economy. We are concerned about explaining the behavior of economic variables such as national output and income, investment and saving, consumption, unemployment, inflation and interest rates. The approach taken in this course is to analyze macroeconomic problems using models where the economy is populated by rational individuals whose behavior is directed by the utility maximization motive. We will also compare the outcomes of these model economies with the empirical observations.

Course Textbook

Andrew B. Abel, Ben S. Bernanke and Dean Croushore, Macroeconomics, Pearson Addison Wesley

Course Outline (subject to adjustments)

- Chapter 1: Introduction to Macroeconomics
- Chapter 2: The measurement and structure of the National Economy
- Chapter 3: Productivity, Output, and Employment
- Chapter 4: Consumption, Saving, and Investment
- Chapter 5: Saving and Investment in the Open Economy
- Chapter 6: Long-Run Economic Growth
- Chapter 7: The Asset Market, Money, and Prices
- Chapter 8: Business Cycle
- Chapter 9: The IS–LM/AD–AS Model: A General Framework for Macroeconomic Analysis
- Chapter 10: Classical Business Cycle Analysis
- Chapter 11: Keynesianism

Course Requirements

There will be one **optional** midterm exam and one final exam as well as several homework assignments. The weights are as follows:

- Midterm Exam: 44%
- Final Exam: 44%
- Homework Assignments: 12% (3% each)

The midterm is strongly suggested but optional. Students that will not take the midterm exam (both willingly or for other impossibilities, such as health problems) will have a longer final exam covering the whole course, weighting 90% of the grade.

Students that are not satisfied with the midterm grade are allowed to take the longer version of the final exam, which will cover the whole course and it will weight 90% of the grade. They need to announce their intention to perform the entire exam, erasing to the previous midterm grade, on the exam day, before receiving the question sheet.

The date of the midterm is not fixed yet, but it will be held during evening hours or on a weekend.

Homework assignments will be posted on Sucourse and you will have to upload your answers on Sucourse. They are evaluated with a score between 0 and 100. **Homeworks are mandatory.** Every assignment not deliver will weight as 0 in your final average score.

Late submissions will not be accepted: if you fail to turn in homework on time, you will receive a penalty for that homework depending on the delay.

Students are **suggested to work together** on homework assignments, but must write up their answers independently. Assignments that are copies of one another will be penalized.

Class Attendance

Class attendance is **strongly suggested**, but not mandatory. However, students are responsible for all material covered during lectures and all course announcements made during lectures. It is your responsibility to check the website or ask other students for announcements, assignments and any possible changes related to the course plan.