PRINCIPLES OF MACROECONOMICS in Fall 2019 (EC2020B)

Course Code	EC2020B	**Professor(s)**	Shahram Alijani
Prerequisites	None	**Office Number**	Grenelle, G206
Class Schedule	TF: 13:45-15:05 in PL-3	**Office Hours**	Tuesday 12:30-13:30 & by appointment
Credits	4	**Email**	salijani@aup.edu
Semester	Fall 2019	**Office Tel. Ext.**	567

Course Description

As an introduction to the subject of macroeconomics, this course underlines the importance of economics as a subject of scientific inquiry by addressing an array of social and economic issues. The course begins by providing an introduction to the study of the market, the price system and the demand and supply mechanisms. We proceed further by explaining how the economy functions at the level of macro units and its broad aggregates. The study of the determinants and measurement of the macroeconomic aggregates such as national income, price, inflation, employment, and economic growth and performance constitute the focus of this course.

Course Learning Outcomes

The analysis of the fundamentals of economic thinking, using production possibility frontiers to explain, scarcity, choice, efficiency and opportunity costs
Familiarizing students with the meaning and primarily the graphical presentation of the concepts of aggregate demand and aggregate supply curves: movements and shifts.
Students would have to distinguish the tools of aggregate demand and supply: price, quantity and real gross domestic product
Study of fiscal and monetary policies, significance of money, banking system and monetary creation process.
Application of Keynesian and monetarist models to solving economic fluctuations and cycles

General Education

The general education program at AUP consists of four requirements: Speaking the World, Modeling the World, Mapping the World, and Comparing Worlds Past and Present. This course can be used to fulfill the general education requirement ‘Mapping the World: Social Experience and Organization’ and as such has the following learning objective:

· Apprehend the main economic and social topics of our contemporary world

Course Outline

OUTLINE:

The following topics will be covered with the approximate number of lectures appearing in parentheses:

I. Introduction: Fundamentals of Economics Thinking, Nature of Economics (1)

II. General view of the Price System: Demand and Supply (2)

III. Introduction to macroeconomics: national accounting, consumption, investment (4)

IV. Aggregate demand, aggregate supply: their determinants and change processes,

AD and AS applications and implications for the national economy (3)

V. Fiscal policy and the multiplier model (3)

VI. Monetary policy and the banking system (3)

VII. Causes and consequences of inflation and unemployment (3)

VIII. Economic growth and efficiency (2)

IX. Workshop sessions and midterm examinations (6)

WORKSHOPS:

Students are required participate in three workshops. Workshops have been designed to allow students to

familiarize themselves with examples and cases discussed in class. Due to time and equipment constraints, workshops may take place outside the regular class hours in the Computer Lab.

COURSE AND READING SCHEDULE

Fall 2018

Date	Topics, Workshops and Examinations	Readings
Week 1 Starting Sept. 2	Introduction: brief overview of macroeconomic goals: growth, employment, price stability. Working with diagrams and graphs	Arnold, Chapter 1 Arnold, Chapter 2 Appendix 1, 2
Week 2 Starting Sept. 9	Fundamentals of economics: market mechanism, demand and supply in action, government policy	Arnold, Chapter 3
Week 3 Starting Sept. 16	Macroeconomic measurement: price, employment, GDP **Workshop 1 & class exercise**	Arnold, Chapter 6
Week 4 Starting Sept. 23	Aggregate demand and supply curves **Test 1**	Arnold, Chapter 7
Week 5 Starting Sept. 30	The self-regulating economy and its critiques	Arnold, Chapter 8
Week 6 Starting Oct. 7	Introduction to fiscal policy and government spending	Arnold, Chapter 9
Weeks 7 Starting Oct. 14	More on fiscal policy: The multiplier, demand, supply-side policy **Workshop 2 & class exercise**	Arnold, Chapter 10
Week 8 Starting Oct. 21	Review of fiscal policy **Test 2 Take-home assignment**	Arnold, Chapter 11
Week 9 Starting Oct. 28	Introduction to money and banking, The Federal Reserve system **No class on Nov. 1st.**	Arnold, Chapter 12
Week 10 Starting Nov. 4	Monetary Policy: instruments and mechanisms	Arnold, Chapter 13

Week 11 Starting Nov. 11	Monetarist & Keynesian theories and views: the role of money, interest rate, investment and production **Workshop 3 & class exercise**	Arnold, Chapter 13
Week 12 Starting Nov. 18	Inflation, unemployment, economic cycles and growth	Arnold, Chapter 14
Week 13 Starting Nov. 25	Government stabilization policies: Monetarist versus Keynesian policies	Arnold, Chapter 15
Week 14 Starting Dec. 2	Concluding remarks, Review session **Workshop 4 & class exercise**	Arnold, review of chapters 10-15
Week 15 Starting Dec. 9	**Classes end on Dec. 10th** **Final Examination Period Dec. 12-18**	

Textbooks

Title	Author	Publisher	ISBN	Required
ECONOMICS., 12TH EDITION WITH APLIA CODE, 2TERMS (12 MONTHS)	ARNOLD, ROGER A	CENGAGE	9781285738338	Yes

Attendance Policy

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

ENGLISH LANGUAGE PROFICIENCY STATEMENT: As an Anglophone university, The American University of Paris is strongly committed to effective English language mastery at the undergraduate level. Most courses require scholarly research and formal written and oral presentations in English, and AUP students are expected to strive to achieve excellence in these domains as part of their course work. To that end, professors include English proficiency among the criteria in student evaluation, often referring students to the university Writing Lab where they may obtain help on specific academic assignments. Proficiency in English is monitored at various points throughout the student's academic career, most notably during the admissions and advising processes, while the student is completing general education requirements, and during the accomplishment of degree program courses and senior theses.

Grading Policy

Participation	10%
Assignments, Workshops	25%
Midterm Examination: Test 1	20%
Midterm Examination: Test 2	20%
Final Examination: Test 3	25%

Other