

School of Analytic Studies and Information Technology
Atkinson Faculty of Liberal and Professional Studies
York University
Summer 2, 2006

AK/ECON 2450 – Section A Intermediate Macroeconomics II

INSTRUCTOR

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LECTURE HOURS AND LOCATION

Tuesdays and Thursdays 6:00 - 9:00 p.m.; CLH D (Curtis Lecture Hall)

OFFICE HOURS

Tuesdays and Thursdays 4:30 p.m. - 5:30p.m.

COURSE WEBPAGE

http://www.econ.queensu.ca/pub/students/khans/ECON2450_S2_06.htm

Or,

Click on the link for this course provided on my home page:

<http://qed.econ.queensu.ca/pub/students/khans/> .

The course outline, optional assignment questions, solutions to optional assignments and mid-term exam will be posted on the course webpage. Important announcements concerning the course will also be posted there. *Please make frequent visits to the course website to keep yourself updated about the course.*

COURSE DESCRIPTION

Intermediate Macro-Economics II offers an analysis of short-run economic fluctuations or the business cycle. The course is structured in three parts. Part I develops an aggregate demand – supply model for a small open economy. In Part II we use the short-run model developed in Part I to discuss two key debates over economic policy. One deals with the question of how policymakers should respond to short-run economic fluctuations. The other focuses on government debt and budget deficits. In Part III we analyse more fully the micro-economic foundations of macro-economic relationships such as the consumption, investment, real business cycle theory and new Keynesian economics.

REQUIRED TEXTS

N. Gregory Mankiw & William Scarth, *Macroeconomics. 2nd updated Canadian Ed.*, Worth Publishers, New York 2003, ISBN: 0716759284. [MS]

Roger T. Kaufman & William Scarth, *Study Guide and Workbook for Macroeconomics. 2nd updated Canadian Ed.*, Worth Publishers, New York 2003.

SUPPLEMENTARY TEXTS

Andrew B. Abel, Ben S. Bernanke, Gregor W. Smith and Ronald D. Kneebone, *Macroeconomics. 4th Canadian Ed.*, Pearson Addison Wesley, Toronto 2005, ISBN: 0321306627. [ABSK]

Additional reading materials will be assigned as we make progress through the course. You will find most of the reading materials in the Scott Library Reserve.

EVALUATION

Optional Assignments	0%
Mid-term Test	40%
Final Exam (Comprehensive)	60%

The course grade will be determined by the following rule:

Course Grade = maximum {(40% of Midterm + 60% Final), 100% of Final}

Please note that the students who miss the mid-term exam for a valid reason will NOT be able to write a deferred exam. Their final exam will count 100%.

IMPORTANT YORK POLICIES

Please visit the following Atkinson course outline page for important York policies.

[HTTP://BLOODSTONE.ATKINSON.YORKU.CA/DOMINO/HTML/OUTLINES/CRSOUTLINES.NSF/COURSESBYDOCUNID/B10DF3481DE221E985257109005611F4?OPENDOCUMENT](http://bloodstone.atkinson.yorku.ca/domino/html/outlines/crsoutlines.nsf/coursesbydocunid/b10df3481de221e985257109005611f4?opendocument)

COURSE OUTLINE, LECTURE PLANS AND IMPOARANT DATES

Please note that NOT all the materials presented in class are covered in the textbooks. You are responsible for all the materials covered in class as far as examinations are concerned. *So it is very important to attend lectures regularly!*

Date	Topic	References/ Comments
June 27, 2006	Lecture 1: Aggregate Fluctuations and The IS-LM Model	MS: Ch 9 and Ch 10 ABSK: Ch 8 and Ch 9
June 29, 2006	Lecture 2: Policy Analysis with the IS-LM Model	MS: Ch 11
July 4, 2006	Lecture 3: Open Economy Macroeconomics I	MS: Ch 12 ABSK: Ch 10
July 6, 2006	Lecture 4: Open Economy Macroeconomics II	MS: Ch 12 ABSK: Ch 10
July 11, 2006	Lecture 5: Aggregate Supply	MS: Ch 13 ABSK: Ch 13
July 13, 2006	Midterm Exam	
July 18, 2006	Lecture 6: Stabilization Policy	MS: Ch 14 ABSK: Ch 14
July 20, 2006	Lecture 7: Government Debt and Budget Deficits	MS: Ch 15 ABSK: Ch 15
July 21, 2006	Last date drop a course without receiving a grade	
July 25, 2006	Lecture 8: Consumption	MS: Ch 16
July 27, 2006	Lecture 9: Investment	MS: Ch 17
August 1, 2006	Lecture 10: The Real Business Cycle Theory	MS: Ch 19 ABSK: Ch 11
August 3, 2006	Lecture 11: New Keynesian Economics	MS: Ch 19 ABSK: Ch 12

TIPS TO DO WELL IN THIS COURSE

- Attend all the lectures and actively participate in class. Feel free to ask as many questions as you want in the class. There is no 'stupid question' in my class.
- Read the text book and other assigned readings between the lines and go through your lecture notes from the class. If you have any questions, ask me during my office hours.
- Do all the optional assignments. Assignments are meant for helping you understand the course materials and prepare you for the exams.
- Go through the solutions to all assignments and mid-term exam carefully. If you face any problems, feel free to stop by during my office hours.

