



**College of Business Administration
Department of Economics
Aggregate Economic Condition Analysis
Lecturer: O. Mikhail
ECO 3203-0001
Summer 2004**

Course Outline

Time : M, T, W, Th 2:00 p.m. – 3:50 p.m.
Location : BA 220.
Office : BA II - 302.
Office Hours : M, T, W, Th 1:00 p.m. – 2:00 p.m.
Class Web Page: <http://www.bus.ucf.edu/omikhail/Eco3203/Eco-3203.htm>
E-Mail : omikhail@hotmail.com
omikhail@bus.ucf.edu
Phone : 407-823-4258
Fax : 407-823-3269

Course Objective

Macroeconomics is the most interesting and core part of economics. This course is an intermediate level of macroeconomics. We explore the short-run and the long-run behavior of the economy. The course presents recent macroeconomic theories and models based on microeconomic principles. Applications to current and historical economic problems are emphasized. By the end of the course, students should be able to apply the material to understand current discussions about the national economy. The course presents a solid ground in modern theoretical macroeconomics with a “Theory Confronts Data” approach. The course is designed to prepare the student to undertake advanced macroeconomics, pursue graduate studies and/or to become a policy analyst. The approach is even-handed and not biased toward a particular school of thought. The focus is on the market-clearing approach, but with a more central treatment of Keynesian analysis.

Basic knowledge of calculus and algebra are required. Students are responsible for *all* materials covered in class that is presented in the textbook, in the study guide and in the lecture notes.

Attendance at lectures is not mandatory but is recommended. **If you are experiencing any difficulty in this class (or any other), please arrange a meeting with me to discuss it.**

E-mail Policy, Lecture Notes and Class Web Page

During weekdays, I should be able to answer your e-mail within 24 hours. All of the PowerPoint class notes are available at the class web page. Visit the class web page regularly for announcements. Class announcements – posted at the class web page – are part of your curriculum. Also, visit the class web page for the conversion table of grades. I adopt the plus/minus letter grades as outlines at the class web page. **The lecture notes are not substitutes for the textbook; they are a complement to the textbook.**

Office Hours

If my office hours (stated above) conflict with your schedule and you need to see me, please let me know so I can arrange a mutually acceptable time to meet.

Required Book

Stephen D. Williamson. (2002) *Macroeconomics*. Pearson Education, Addison-Wesley. ISBN: 0-201-71046-3.

Visit the book Web site for the Study Guide, <http://www.aw.com/williamson> Each chapter of the textbook includes a set of Conference Board Problems that make use of the on-line database. **The book offers an on-line tutorial help with live chat.**

Evaluation (Preliminary)

Mid-Term Exam (June 1, 2004)	50%
Final Exam (June 17, 2004)	50 %

I expect you to uphold the guidelines of the Golden Rules, <http://www.ucf.edu/goldenrule>

No early or make-up exams will be given.

Assignments

On the class web page, I will regularly post a set of voluntary assignments. If you undertake these assignments, I will correct them and hand them back to you, but no grade will be allocated to these assignments. The solution is meant to guide you to answer the question. The purpose of these assignments is to prepare the student for the quizzes.

Class Structure

The class will be held in an active-discussion framework. Due to the class size and the limited class time, I suggest that students form study groups outside of class to work through the study guide and end-of-chapter problems.

Reading List

Week 1	Introduction, Measurement and Business Cycle Measurement. Chapters: 1, 2 and 3.	
Weeks 2 – 3	Consumer and Firm Behavior: The work-leisure decision and profit max. A Closed-Economy One-Period Macroeconomic Model. Chapters: 4, 5 and 6.	
Week 4	May 31, 2004	Memorial Day
Week 4	June 1 st , 2004	Mid-Term Exam
Weeks 4 – 5	A Two-Period Model: The consumption-savings decision and Ricardian Equivalence. A Real Intertemporal Model with Investment. Economic Growth. Keynesian Business Cycle Theory: The Sticky Wage Model. Chapters: 6, 7, 8 and 10.	
Week 6	Market-Clearing Models of the Business Cycle, Inflation, the Phillips Curve, and Central Bank Commitment. Chapters: 11 and 16.	

THE UCF CREED

Integrity, scholarship, community, creativity, and excellence are the core values that guide our conduct, performance, and decisions.

Integrity

I will practice and defend academic and personal honesty.

Scholarship

I will cherish and honor learning as a fundamental purpose of my membership in the UCF community.

Community

I will promote an open and supportive campus environment by respecting the rights and contributions of every individual.

Creativity

I will use my talents to enrich the human experience.

Excellence

I will strive toward the highest standards of performance in any endeavor I undertake.

<http://pegasus.cc.ucf.edu/~admissio/creed.htm>