



**College of Business Administration**  
**Department of Economics**  
**Aggregate Economic Condition Analysis**  
**Lecturer: O. Mikhail**  
**ECO 3203-0001**  
**Summer 2005**

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### **Course Outline**

Time : M, T, W, Th 2:00 p.m. – 3:50 p.m.  
Location : BA 122.  
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. (2005) *Macroeconomics*. Second Edition, Pearson Education, Addison-Wesley. ISBN: 0-321-24093-6.

Visit the book Web site for the Study Guide, <http://www.aw-bc.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)**

Quiz I	(May 26, 2005)	25%
Quiz II	(June 9, 2005)	25%
Final Exam	(June 23, 2005)	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 and 5.
- Week 2 **Thursday, May 26, 2005 QUIZ I – Chapters 1, 2 and 3.**
- Week 3 **Monday, May 30, 2005 Memorial Day**
- Weeks 4 – 5 A Two-Period Model  
The consumption-savings decision and Ricardian Equivalence.  
A Real Intertemporal Model with Investment.  
Chapters: 8, 9 and beginning of Chapter 11.
- Week 4 **Thursday, June 9, 2005 QUIZ II – Chapters 4 and 5.**
- Week 6 Market-Clearing Models of the Business Cycle  
Keynesian Business Cycle Theory: The Sticky Wage Model.  
Chapters: 11 and 12.
- Week 6 **Thursday, June 23, 2005 FINAL EXAM.**

## Academic Dates – Summer 2005

<b>Academic Dates and Deadlines</b>	
Classes Begin	May 16
Late Registration and Add/Drop	May 16 – May 20
Withdrawal Deadline	June 3
Graduate Thesis/Dissertation Defense Deadline	July 11
Graduate Thesis/Dissertation Submission Deadline	July 29
Classes End; Last Day to Remove Incomplete	June 24
Final Examination Period	June 24
Grades Available on MyUCF (begins at 9 a.m.)	June 30
Commencement	August 6

# 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>