

ECO 576  
Macroeconomic Theory and Policy  
FALL 2016

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Office Hours: by appointment.

Text: There is not a required text. For background and review purposes, if needed, I recommend a basic Macro principles text such as McConnell, McConnell-Brue, or McConnell-Brue-Flynn. (It's a McGraw-Hill text. There are now about 20 editions of the text and the particular edition you consult is not important.) For those who like to have an intermediate level macro text for reference purposes I recommend Macroeconomics: Policy and Practice by Frederic Mishkin (Prentice Hall, ISBN-13:9870321436337).

### COURSE OUTLINE

- I. PART 1: INTRODUCTION
    - Chapter 1 The Macroeconomy
    - Chapter 2 Measuring Macroeconomic Variables
  
  - II. PART 2: CLASSICAL MACROECONOMIC THEORY AND ECONOMIC GROWTH
    - Chapter 3 Macroeconomic Theory: Employment, Output, Prices
    - Chapter 4 Interest Rates and Exchange Rates
    - Chapter 5 The Theory of Economic Growth
  
  - III. PART 3: KEYNESIAN AND MONETARIST MACROECONOMIC PERSPECTIVES
    - Chapter 6 Essentials of the Keynesian System
- *MIDTERM EXAM—Chapters 1,2,3,4,5 – tentative: Thursday, October 14*
- Chapter 7 What Can Government Spending and Taxation Policies Accomplish?
  - Chapter 8 Money in the Traditional Keynesian System

Chapter 9	Exchange Rates and the Balance of Payments
Chapter 10	The Keynesian and Monetarist Views on Price and Output Determination

IV. PART 4: RATIONAL EXPECTATIONS AND MODERN MACROECONOMIC THEORY

Rational Expectations, New Classical Macroeconomics, and Efficient Markets, Modern Keynesian Theory, Real Business Cycle Theorists

- *FINAL EXAM—comprehensive*

**GRADES AND ADMINISTRATIVE MATTERS:**

Grades will be based on assignments/projects (40 points), 1 mid-term (25 points each) and a comprehensive final exam (25 points), participation (10 points). Plan well in advance for the exams: there will be no early exams and no make-up exams. An exam that is missed will be considered an F, unless your professor is notified prior to the exam and the excuse is a legitimate medical one or officially approved. Details about the assignments/projects will be discussed in the class. Course grades will be assigned as:

90 – 100	A
80 – 89	B
70 – 79	C
60 – 69	D
59 and below	F

**HELPFUL HINTS**

The purpose of this course is to provide you with more advanced treatment to macroeconomics. Macroeconomic theory involves the use of models to explain and determine economy-wide variables such as income, output, unemployment, growth, inflation. Macroeconomic policy examines how these aggregates are affected by the changes in the government policies such as changes in the government spending, taxes, etc. I will try to accomplish my objectives through a blend of reading, lecture, homework assignments, exams and your participation in the class discussions.

Good study habits for this course require you to sit down with pen or pencil in hand and work through the models. Systematic study, rather than cramming, is advisable. Attending the lectures, reading the assigned materials, working the assigned exercises, taking notes in class, and using the office hours are important learning tools.

**RULES, REGULATIONS AND OTHER STUFF**

- ✓ All students enrolled at the university shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment.

✓ The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact: Office of Student Disability Resources and Services, Texas A&M University-Commerce, Halladay Student Services Building Room 303 A/D, Phone (903) 886-5150 or (903) 886-5835, Fax (903) 468-8148, StudentDisabilityServices@tamuc.edu

✓ Plagiarism represents disregard for academic standards and is strictly against University policy. Plagiarized work will result in an “F” for the course and further administrative sanctions permitted under University policy. Guidelines for properly quoting someone else’s writings and the proper citing of sources can be found in the APA Publication Manual. If you do not understand the term “plagiarism”, or if you have difficulty summarizing or documenting sources, contact your professor for assistance. The College of Business and Technology at Texas A&M University-Commerce students will follow the highest level of ethical and professional behavior. Actionable Conduct includes illegal activity, dishonest conduct, cheating, and plagiarism. Failure to abide by the principles of ethical and professional behavior will result in sanctions up to and including dismissal from the university.

✓ A&M-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained

✓ Campus Concealed Carry: Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations. For a list of locations, please refer to (<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>) and/or consult your event organizer). Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.