Macroeconomics
Prof. Hyunghou Pyoun Ph.D., SKKU

SHORT COURSE DESCRIPTION

This course is designed to learn the behavioral science of economics which focuses on the aggregate behavior of households, firms and the government. Topics covered include gross domestic product, national income, economic growth, unemployment, inflation, the business cycle, fiscal and monetary policy, and international trade and finance.

Upon successful completion of the course, the student should be able to demonstrate a basic understanding of news relating to the economy as a whole as reported in such publications as “The Economist”, “Financial Times” or “Harvard Business Review”; the economic implications of changes in government fiscal or monetary policy; how interest rates are determined and the role of interest rates in personal and corporate decision-making.

This course is also designed to mix basic economics theory with useful knowledge regarding how the actual economy operates. Few examples are better understanding regarding how commodities prices are determined and why they fluctuate, what influences the rate of interest on loans and credit card purchases, and how the proposed solutions for helping the world economy recover from a recession are expected to work and where they may be inefficient.

READING MATERIALS

Class Materials
Suggested:
1. N. Gregory Mankiw, Macroeconomics (9th Edition or Older Editions are acceptable)
2. Other materials will be distributed during class.
3. Lecture Notes will be on i-Campus
4. A simple calculator (capable of addition, subtraction, multiplication and division, no smartphone allowed)

COURSE REQUIREMENTS AND GRADING

Introductory Economics is required to take this course

Assessment and Grading: Course grades will be based on two equally weighted exams worth 30 points each, four assignments worth 5 points each, and class participation worth 20 points. This gives a total of 100 available points in the class.
All ISS classes are Pass/Fail on the student academic achievement evaluated by grades on a scale of 100 points (grade of 60 or above is Pass)

Mid Exam: Mid Exam will be held on Wednesday, July 4th during normal class hours.

Final Exam: Wednesday, July 18th during normal class hours.

Optional Research Paper: Anyone who believes exam score does not justify his true ability may present optional research paper to supplement his exam score.

Attendance Policy: There are 15 class periods during the summer. A student is expected to attend every class. However, SKKU regulations require students to attend at least 80% of all classes.
Unexcused absences must be supported by written documentation about the medical or family emergency.

Valid Excuses: If your medical emergency or a serious illness or death in your family causes you to miss class, you must inform me of the emergency before class and soon afterwards submit a written explanation.

COURSE SCHEDULE

- WEEK I -

Tuesday (26 June)
1. The Science of Macroeconomics
2. The Data of Macroeconomics
3. National Income

Wednesday (27 June)
4. Money and Inflation

Thursday (28 June)
5. The Open Economy

Friday (29 June)
6. Unemployment

- WEEK II -

Monday (2 July)
7. Economic Growth I: Capital Accumulation & Population Growth

Tuesday (3 July)
8. Economic Growth II: Technology, Empirics & Technology

Wednesday (4 July)
9. Introduction to Economic Fluctuations

Thursday (5 July)
10. Aggregate Demand I: Building the IS-LM Model

- WEEK III -

Monday (9 July)
11. Aggregate Demand II: Applying the IS-LM Model

Tuesday (10 July)
12. The Open Economy Revisited: Mundel-Fleming Model & Exchange Rate Regime

Wednesday (11 July)
13. Aggregate Supply & Short-Run Trade Off btwn Inflation & Unemployment

Thursday (12 July)
14. The Dynamic Model of Aggregate Demand & Aggregate Supply

-WEEK IV-

Monday (16 July)
15. Stabilization Policy

Tuesday (17 July)
16. Government Debt & Budget

Wednesday (18 July)
Final Exam