School of Analytic Studies and Information Technology
Atkinson Faculty of Liberal and Professional Studies
York University
Summer 2, 2009

AK/ECON 2450 – Section A & B
Intermediate Macroeconomics II

INSTRUCTOR
Sharif Faisal Khan
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Website: http://qed.econ.queensu.ca/pub/students/khans/

LECTURE HOURS AND LOCATION
Section A: Mondays and Wednesdays 6:00 – 9:00 pm; Accolade Building East 011
Section B: Tuesdays and Thursdays 3:00 -6:00 pm; Curtis Lecture Hall J

OFFICE HOURS
Mondays 4:45 pm - 5:45 pm and Tuesdays 6:15 pm – 7:15 pm

COURSE WEBPAGE
http://www.econ.queensu.ca/pub/students/khans/ECON2450_S2_09.htm

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 AND PREREQUISITES

Applying the analytical tools that students learn in AK/ECON 2400 3.00, this course covers the problems of inflation, unemployment and government deficits, with focus on the role of expectations. Open economy issues under fixed and flexible exchange rates are also introduced. Prerequisites: AK/ECON 1000 3.00 and AK/ECON 1010 3.00, AK/ECON 1530 3.00, AK/ECON 1540 3.00 and AK/ECON 2400 3.00, or for students with equivalent preparation, permission of the coordinator of economics. Course credit exclusions: AK/ECON 2400 6.00 (prior to Summer 1983), AK/ECON 3310 3.00 (prior to Summer 1995), AS/ECON 2450 3.00, GL/ECON 3240 6.00.
REQUIRED TEXTBOOKS


TEXTBOOK WEBSITE

http://bcs.worthpublishers.com/mankiw6/

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 \( (40\% \text{ of Midterm} + 60\% \text{ Final}), 100\% \text{ of Final} \)

Students **must** write both the midterm exam and final exam to pass this course. If a student misses the midterm exam due to acceptable medical reasons or unavoidable circumstances, the weight of his or her midterm exam will be added to the final exam. Students must report to me the reasons of not writing the midterm exam prior to the exam date or immediately after the exam.

*Please note that the final exam will be based on all of the materials which are going to be covered during the term.*

IMPORTANT YORK POLICIES

Please visit the following link for important York’s academic policies.

## COURSE OUTLINE, LECTURE PLANS AND IMPORTANT DATES

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<tr>
<th>Week</th>
<th>Topics</th>
<th>References/ Comments</th>
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<td><strong>PART I: Business Cycle Theory</strong></td>
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<tr>
<td>Week 1, July 20</td>
<td>Intro. to Economic Fluctuations; Building the IS-LM Model</td>
<td>Chapter 9 and 10</td>
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<td>Week 2, July 27</td>
<td>Applying the IS-LM Model; Aggregate Supply and the Short-run Tradeoff Between Inflation and Unemployment</td>
<td>Chapter 11 and 13</td>
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<td><strong>PART II: Open Economy Macro</strong></td>
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<td>Week 3, Aug 3</td>
<td>The Open Economy; The Mundell-Fleming Model</td>
<td>Chapter 5 and 12</td>
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<td><strong>Midterm Exam Dates</strong></td>
<td>Midterm exam will be held in class. It will cover Chapter 9, 10, 11 and 13.</td>
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<td>Section A: August 5</td>
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<td>Section B: August 6</td>
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<td>Week 4, Aug 10</td>
<td>The Mundell-Fleming Model</td>
<td>Chapter 12</td>
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<td><strong>PART III: Growth Theory</strong></td>
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<td>Week 4, Aug 10</td>
<td>Economic Growth I: Capital Accumulation and Population Growth</td>
<td>Chapter 7</td>
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<td>Week 5, Aug 17</td>
<td>Economic Growth II: Technology, Empirics, and Policy</td>
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<td><strong>PART IV: The Microeconomic Foundations of Macroeconomics</strong></td>
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<td>Week 5, Aug 17</td>
<td>Consumption</td>
<td>Chapter 16</td>
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<td>Week 6, Aug 24</td>
<td>Investment; Final Exam Review</td>
<td>Chapter 17</td>
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**Note:** Additional readings, if necessary, will be assigned during the term

### 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 textbook and other assigned readings between the lines and go through your lecture notes of 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.