**Course Number:** ABSM202

**Course Name:** Macroeconomics

**Instructors:** Asst. Prof. Dr. Pejman Bahramian

**Required Text:** Parkin, M.  **Economics**, 12th Edition, Global Edition, 2016

**Course Description:** The course is an introduction to the macroeconomic’s basic concepts. The course focuses on basic concepts such as: the definition of money, inflation, exchange rate, balance of payments, aggregate suppy and aggregate demand, expenditure multipliers, inflation, jobs, business cycle, fiscal policy and monetary policy.

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|  | **Estimated Contact Hours** |
| 1. Defining Money, the price level, and inflation    1. Money: defining money and describing its functions, explaining the economic functions of banks, describing the federal reserve system.    2. Explaining what what determines the quantity of money and the nominal interest rate, explaining how the quantity of money influences the price level and the inflation rate.    3. Defining defferent types of depository institution and benefits provided by them | 6 |
| 1. Describing the exchange rate and the balance of payments    1. Explaining how the exchange rate is determined    2. Describing the alternative exchange rate policies and their effects    3. Describing the balance of payments accounts and explain what causes an international deficit | 6 |
| 1. Defining the aggergate supply and the aggregate demand    1. Explaining what determines aggregate supply in the long run and in the short run    2. Explaining what determines aggregate demand    3. Explainig how real GDP and the price level are determined and what causes growth, inflation, and cycles    4. Describing the main schools of thought in macoeconomics today | 6 |
| 1. Explaining Expenditure Multipliers    1. Describing how expenditure plans are determined when the price level is fixed    2. Describing how real GDP is determined when the price level is fixed    3. Explaining the expenditure multiplier    4. Describing the relationship between aggregate expenditure and aggregate demand | 6 |
| 1. Describing Inflation, Jobs, and the business Cycle    1. Explaining how demand-pull and cost-push forces bring cycles in inflation and output    2. Explaining the short-run and long-run tradeoff between inflation and unemployment    3. Explainig how the mainstream business cycle theory and real business cycle theory account for fluctuations in output and employment | 6 |
| 1. Explaining Fiscal Policy    1. Describing the federal budge process and the recent history of outlays, tax revenues, deficits, and debt    2. Explaining the supply-side effects of fiscal policy    3. Explaining how fiscal policy choices redistribute benefits and costs across generation    4. Explaining how fiscal stimulus is used to fight a reccession | 6 |
| 1. Defining Monetary Policy    1. Desacribing the objectives of monetary policy and the framework for setting and achieving them    2. Explaining how the federal reserve makes its interest rate decision and achieves its interest rate targets    3. Explaining the transmission channels through which the federal reserve influences real GDP, jobs, and inflation    4. Explaining the Fed’s extraordinary poicy actions | 6 |

**Recap**

**Identification of CPC Covered in this course Estimated Contact**

Accounting 0

Marketing 0

Finance 6

Management

Management Principles 0

Organizational Behavior 0

Human Resource Management 0

Operations Management 0

Economic/Social/Legal Environment

Legal Environment of Business 0

Economics 36

Business Ethics 0

Business Tools

Information Systems 0

Quantitative Methods/Statistics 0

International/Global Dimensions of Business 0

Integrative Experience 0

**Total (estimate of contact hours) 42**