

AMERICAN UNIVERSITY
Department of Economics, Fall 2002

Macroeconomics, Econ 100.008, Ward 4
Spring 2003, MTh 11:20 AM - 12:35 PM,
Office Hours: Roper 213, Th 3:30 – 6:30 PM

Professor Hahnel
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202-885-2712

TEXTS

James Willis, *Explorations in Macroeconomics*, 5th edition, North West Publishing, 2002.
Robin Hahnel, *The ABCs of Political Economy: A Modern Approach*, Pluto Press, 2003.

COURSE REQUIREMENTS

- (1) Three exams of equal weight.
- (2) One 3 page paper.
- (3) Six graded homework assignments.

COURSE OUTLINE

I: ECONOMICS, SOCIETY, AND MARKETS

Monday, January 13

Lecture 1: *About the Course*
Counter Intuitive Quiz
Readings: None

Thursday, January 16

Lecture 2: *Economics, Social Stability, and Social Change*
Readings: *ABCs*, Chapter 1: all.
Willis, Chapter 1: all.

Thursday, January 23

Lecture 3: *Judging Economic Performance: Efficiency*
Readings: *ABCs*, Chapter 2: 31-38.
Willis, Chapter 2: all.

Monday, January 27

Lecture 4: *Judging Economic Performance: Equity, Solidarity, Variety, and Sustainability*
Homework #1 due
Readings: *ABCs*, Chapter 2: 20-31, 40-44.

Thursday, January 30

Lecture 5: *A Simple Corn Model*
Readings: *ABCs*, Chapter 3: 45-60.

Monday, February 3

Lecture 6: *Efficiency and Equity in a Simple Corn Model*

Readings: *ABCs*, Chapter 3: 60-70.

Thursday, February 6

Lecture 7: *Supply and Demand*

Homework #2 due

Readings: *ABCs*, Chapter 4: 71-80.

Willis, Chapter 3: 59-72.

Monday, February 10

Lecture 8: *Interconnected Market Analysis*

Readings: Willis, Chapter 3: 73-86.

Thursday, February 13

Lecture 9: *Externalities and Public Goods*

Homework #3 due

Readings: *ABCs*, Chapter 4: 80-96

ABCs, Chapter 5: 103-105.

Monday, February 17

Lecture 10: *Markets: Guided by an Invisible Hand or Foot?*

Readings: *ABCs*, Chapter 4: 96-102.

Thursday, February 20: **Exam One**

II: ANALYTICAL MACROECONOMICS

Monday, February 24

Lecture 11: *Thinking Macro*

Measuring GDP Quiz

Readings: Willis, Chapter 4: all.

Willis, Chapter 5: all.

Thursday, February 27

Lecture 12: *Aggregate Demand as Leading Lady*

Readings: *ABCs*, Chapter 6: 128-140.

Willis, Chapter 6: all.

Monday, March 3

Lecture 13: *Fiscal Policy and the Economics of the Budget*

Readings: *ABCs*, Chapter 6: 140-147.

Willis, Chapter 8: all.
Willis, Chapter 9: all.

Thursday, March 7

Lecture 14: *Dispelling Myths About Unemployment, Inflation, and Deficits*

Readings: *ABCs*, Chapter 6: 147-159.
Willis, Chapter 10: all.

Monday, March 17

Lecture 15: *Banks: Marriage or Bigamy?*

Homework #4 due

Readings: *ABCs*, Chapter 7: 160-168.
Willis, Chapter 11: all.
Willis, Chapter 12, all.

Thursday, March 20

Lecture 16: *Monetary Policy: Another Way to Skin the Cat*

Readings: *ABCs*, Chapter 7: 168-174.
Willis, Chapter 13: all.

Monday, March 24

Lecture 17: *Policy Alternatives in the Closed Economy Model*

Homework #5 due

Readings: *ABCs*, Chapter 9: 220-225.

Thursday, March 27: **Exam Two**

III: GLOBAL ECONOMICS

Monday, March 31

Lecture 18: *Adding the International Sector to the Macro Model*

Readings: *ABCs*, Chapter 8: 198-207.
Willis, Chapter 17: all.

Thursday, April 3

Lecture 19: *International Trade: Mutual Benefit or Imperialism?*

Readings: *ABCs*, Chapter 8: 175-198.
Willis, Chapter 16: all.

Monday, April 7

Lecture 20: *International Investment: Mutual Benefit or Imperialism?*

Homework #6 due

Readings: *ABCs*, Chapter 9: 212-216.

Thursday, April 10

Lecture 21: *Globalization and Its Discontents I*

Readings: *ABCs*, Chapter 9: 225-231.

Monday, April 14

Lecture 22: *Globalization and Its Discontents II*

Readings: "Globalization and its critics," *The Economist* 9/29/01

IV: ECONOMIC VISIONS

Thursday, April 17

Lecture 23: *What Is To Be Undone?*

Readings: *ABCs*, Chapter 10: all.

Monday, April 21

Lecture 24: *What Is To Be Done?*

Readings: *ABCs*, Chapter 11: 265-278.

Paper due

Thursday, April 24

Lecture 25: *Participatory Economics Anyone?*

Readings: *ABCs*, Chapter 11: 278-292.

Monday, April 28

Review for Final Exam

Monday, May 5:

Final Exam