

## GENEL TANIM / GENERAL DESCRIPTION

Ders Adı / Course Name	Macro Economics / Macro Economics	
Ders Kodu / Course Code	EBUS204	
Ders Türü / Course Type		
Ders Seviyesi / Course Level	Bachelor / Bachelor	
Ders Akts Kredi / ECTS	6.00	
Haftalık Ders Saati (Kuramsal) / Course Hours For Week (Theoretical)	3.00	
Haftalık Uygulama Saati / Course Hours For Week (Objected)	0.00	
Haftalık Laboratuvar Saati / Course Hours For Week (Laboratory)	0.00	
Dersin Verildiği Yıl / Year	2	
Öğretim Sistemi / Teaching System	Daytime Class / Daytime Class	
Eğitim Dili / Education Language	English / English	
Ön Koşulu Olan Ders(ler) / Precondition Courses	Yok	
Amacı / Purpose	Fundamental economic ideas and the operation of the economy on a national scale. Production, distribution and consumption of goods and services, the exchange process, the role of government, the national income and its distribution, GDP, consumption function, savings function, investment spending, the multiplier principle and the influence of government spending on income and output. Analysis of monetary policy, including the banking system and the Federal Reserve System	
İçeriği / Content	<p>Week 1:First Principles</p> <p>3 hrs What is the difference between macro and micro economics?</p> <p>The central choices of economic decision making: what, how and for whom to produce?</p> <p>The participants in the market economy</p> <p>Key concepts used in economic analysis:</p> <p>Scarcity, choice, opportunity cost</p> <p>Marginal analysis and choice</p> <p>Ceteris Paribus or 'everything else held constant.'</p> <p>Positive and normative economics and using theories and models to measure economic events</p> <p>Criteria for evaluation of economic policy and policy proposals</p> <p>Economic systems - the market economy, mixed economies &amp; command economies</p> <p>Review of expressing relationships between economic variables using graphs</p> <p>Week 2: Economic Models: Trade-offs and Trade.</p> <p>3 hrs Defining the resources used in the production of goods and services</p>	

The production possibility frontier applied to the concept of opportunity cost/tradeoffs and to marginal costs and benefits; increasing marginal opportunity costs.  
 Productive efficiency; inefficient choices and unattainable choices  
 Week 3- 4:: Macroeconomics: The Big Picture  
 3 hrs Macroeconomics: Theory and Policy  
 The Business Cycle in Market Economies; short-term vs. long-term growth trend  
 Expansion, peak, decline, trough  
 Emergence of modern-day macroeconomic policy to moderate effects of recessions:  
 Keynesian  
 policy/government spending and taxation to stimulate aggregate demand  
 Components of aggregate demand and aggregate supply  
 Shifts in the AD and AS curves: What do they show?  
 The roots of macroeconomics: John Maynard Keynes and the Great Depression  
 Classical vs. Keynesian economics; the short-run vs. long run model of macroeconomic equilibrium  
 The Keynesian short-run model and the classical economists' long-run model  
 Keynes' challenge to Say's Law: the Demand Driven Economy  
 Wage and Price inflexibility; The role of Government  
 Concerns of Inflation (boom times) and deflation (severe economic downturns)  
 The impact of recession on trade imbalances  
 Week 5:Gross Domestic Product: Measuring the economy's output of goods and services;  
 Government Sector: federal state and local government in the economyThe financial sector; the international sector  
 The three markets: goods and service, labor market, money market  
 Nominal and real GDP; The difference between GNP and GDP  
 Expenditure Measure of GDP: consumption by households, businesses, government and the rest of the world (Net exports)  
 Income Measure of GDP: Income from labor, rent, interest, proprietors' income, profit  
 Value added approach vs. measure of final goods and services produced  
 What GDP Does Not Include; alternative measures of GDP  
 Week 6:-7: Unemployment and Inflation (Labor force/Unemployment)  
 3 hrs How is the labor force defined? Who is in the labor force?  
 Measuring employment and unemployment.  
 Who is not counted in the Government's official count of the unemployed?  
 Types of unemployment; cyclical unemployment and the business cycle.  
 The difference between the 'household survey' (the civilian labor force) and the 'establishment survey' (number of payroll jobs added by employers).  
 The labor force participation rate  
 Unemployment and the changes in the global economy  
 Week 8: midterm exam  
 Week 9:Measuring inflation /the consumer price index  
 What does it say about the state of the economy?  
 Real vs. nominal income and earnings  
 Real and Nominal rates of interest  
 Costs and causes of inflation  
 Week 10: Fiscal The multiplier effect  
 Government spending and taxation  
 Automatic stabilizers: the income tax, unemployment insurance  
 Discretionary tax and spending policy  
 Week11:Money, Banking and the Federal Reserve System  
 3 hrs What is money?  
 Commodity and fiat monies; the barter system  
 Money as a medium of exchange; Money supply defined: M1 and M2  
 Gold and the money supply:

	<p>Week 12: Monetary Policy</p> <p>Week13 :Film screening: "Too Big to Fail" or "Inside Job."</p> <p>1.5 hrs Preceding the film, discussion questions will be distributed; film will be followed by discussion of the issues raised in the context of the limits of monetary policy during the "Great Recession," and the pros and cons of the recent financial reform legislation.</p> <p>Week 14: International trade and economics</p>	
Önerilen Diğer Hususlar / Recommended Other Considerations		
Staj Durumu / Internship Status	yok	
Kitabı / Malzemesi / Önerilen Kaynaklar / Books / Materials / Recommended Reading	Krugman and Wells, Eds., Macroeconomics 3rd. ed, Worth Publishers, 2012	
Öğretim Üyesi (Üyeleri) / Faculty Member (Members)	Prof.Dr N.Zeynep Ökten	

### ÖĞRENME ÇIKTILARI / LEARNING OUTCOMES

1	Demonstrate an understanding the basic economic decisions that underlie the economic process: What and how to produce goods and services and how they are distributed.	
2	Understand the concepts of scarcity, choice and opportunity cost and apply these concepts to the analysis of the workings of a market economy.	Understand the concepts of scarcity, choice and opportunity cost and apply these concepts to the analysis of the workings of a market economy.
3	Identify the process of how the nation's output of goods and services is measured through the national income and product accounts; clearly comprehend the income and expenditure approaches to measuring national output and national income.	
4	Acquire the ability to clearly illustrate the specific roles and functions of monetary and fiscal policy in the economy and explain how these are applied to the process of shaping economic policy and stabilizing the economy, specifically with regard to controlling inflation, promoting full employment and facilitating economic growth.	
5	Explain the process of how fiscal policy is enacted and how its functions - taxation and spending - are designed to achieve the goals of equilibrium between Aggregate Demand and Supply; develop a firm understanding of the differences between, and the specific roles of, discretionary fiscal policy and automatic stabilizers in stabilizing employment, income	

### HAFTALIK DERS İÇERİĞİ / DETAILED COURSE OUTLINE

Hafta / Week					
	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
1	Week 1:First Principles 3 hrs What is the difference between macro and micro economics? The central choices of economic decision making: what, how and for whom to produce? The participants in the market economy Key concepts used in economic analysis: Scarcity, choice, opportunity cost Marginal analysis and choice Ceteris Paribus or 'everything else held constant.' Positive and normative economics and using theories and models to measure economic events Criteria for evaluation of economic policy and policy proposals Economic systems - the market economy, mixed economies & command economies Review of expressing relationships between economic variables using graphs				
2	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Week 2: Economic Models: Trade-offs and Trade. 3 hrs Defining the resources used in the production of goods and services The production possibility frontier applied to the concept of opportunity cost/tradeoffs and to marginal costs and benefits; increasing marginal opportunity costs. Productive efficiency; inefficient choices and unattainable choices				

	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
3	<p>Week 3- 4:: Macroeconomics: The Big Picture  3 hrs Macroeconomics: Theory and Policy  The Business Cycle in Market Economies; short-term vs. long-term growth trend  Expansion, peak, decline, trough  Emergence of modern-day macroeconomic policy to moderate effects of recessions: Keynesian  policy/government spending and taxation to stimulate aggregate demand  Components of aggregate demand and aggregate supply  Shifts in the AD and AS curves: What do they show?  The roots of macroeconomics: John Maynard Keynes and the Great Depression  Classical vs. Keynesian economics; the short-run vs. long run model of macroeconomic equilibrium  The Keynesian short-run model and the classical economists' long-run model  Keynes' challenge to Say's Law: the Demand Driven Economy  Wage and Price inflexibility; The role of Government  Concerns of Inflation (boom times) and deflation (severe economic downturns)  The impact of recession on trade imbalances</p>				
	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
4	<p>Macroeconomics: Theory and Policy  The Business Cycle in Market Economies; short-term vs. long-term growth trend  Expansion, peak, decline, trough  Emergence of modern-day macroeconomic policy to moderate effects of recessions: Keynesian  policy/government spending and taxation to stimulate aggregate demand  Components of aggregate demand and aggregate supply  Shifts in the AD and AS curves: What do they show?  The roots of macroeconomics: John Maynard Keynes and the Great Depression  Classical vs. Keynesian economics; the short-run vs. long run model of macroeconomic equilibrium  The Keynesian short-run model and the classical economists' long-run model  Keynes' challenge to Say's Law: the Demand Driven Economy  Wage and Price inflexibility; The role of Government  Concerns of Inflation (boom times) and deflation (severe economic downturns)  The impact of recession on trade imbalances  Are all recessions the same? Comparisons of the recent "Great Recession" to the Great Depression (1930 -</p>				

5	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Gross Domestic Product: Measuring the economy's output of goods and services; Government Sector: federal state and local government in the economy The financial sector; the international sector The three markets: goods and service, labor market, money market Nominal and real GDP; The difference between GNP and GDP Expenditure Measure of GDP: consumption by households, businesses, government and the rest of the world (Net exports) Income Measure of GDP: Income from labor, rent, interest, proprietors' income, profit Value added approach vs. measure of final goods and services produced What GDP Does Not Include; alternative measures of GDP				
6	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Unemployment and Inflation (Labor force/Unemployment) 3 hrs How is the labor force defined? Who is in the labor force? Measuring employment and unemployment. Who is not counted in the Government's official count of the unemployed? Types of unemployment; cyclical unemployment and the business cycle. The difference between the 'household survey' (the civilian labor force) and the 'establishment survey' (number of payroll jobs added by employers). The labor force participation rate Unemployment and the changes in the global economy				
7	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Midterm exam				

8	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Measuring inflation the consumer price index What does it say about the state of the economy? Real vs. nominal income and earnings Real and Nominal rates of interest Costs and causes of inflation				
9	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Fiscal Policy:The multiplier effect Government spending and taxation Automatic stabilizers: the income tax, unemployment insurance Discretionary tax and spending policy Progressive, proportional and regressive taxes and their impacts Fiscal Policy Lags The circular flow diagram with government spending and taxation Budget deficits and surpluses; Government debt and deficits: Are they the same thing?				
10	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Money, Banking and the Federal Reserve System 3 hrs What is money? Commodity and fiat monies; the barter system Money as a medium of exchange; Money supply defined: M1 and M2 Gold and the money supply: Why was the gold standard adopted (1873) and why was it later eliminated (1971)?				
11	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Monetary Policy The structure of the CentralBanks How the centralbanks regulates the money supply: reserve requirements, the discount rate, open market operations; the goals of monetary policy The federal funds rate; fed funds market Banking legislation and deregulation since the 1980's The role of credit, debit cards and electronic money in the money supply Role of financial intermediaries - modern depository institutions				

12	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Discussions				
13	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	Film screening: "Too Big to Fail" or "Inside Job." 1.5 hrs Preceding the film, discussion questions will be distributed; film will be followed by discussion of the issues raised in the context of the limits of monetary policy during the "Great Recession," and the pros and cons of the recent financial reform legislation.				
14	Teorik Dersler / Theoretical	Uygulama	Lab	Öğretim Yöntem ve Teknikleri/Teaching Methods Techniques	Ön Hazırlık / Preliminary
	International Trade and Supplemental Reading The history of trade agreements: From GATT to NAFTA and Trade deficits and trade surpluses Importance of trade to the U.S. economy; U.S. trade in international context Comparative advantage and trade; Terms of trade between nations Currency exchange rates: how are they determined? The World Trade Organization: What is its role? The movement from trade protection toward free trade among nations since the 1940's The dimensions of globalization; trade, foreign direct investment, foreign portfolio investment, immigration; The debate about trade policies and globalization				



## DEĞERLENDİRME / EVALUATION

Yarıyıl (Yıl) İçi Etkinlikleri / Term (or Year) Learning Activities	Sayı / Number	Katkı Yüzdesi / Percentage of Contribution (%)
Toplam / Total:	0	0
Başarı Notuna Katkı Yüzdesi / Contribution to Success Grade(%):		0
Yarıyıl (Yıl) Sonu Etkinlikleri / End Of Term (or Year) Learning Activities	Sayı / Number	Katkı Yüzdesi / Percentage of Contribution (%)
Toplam / Total:	0	0
Başarı Notuna Katkı Yüzdesi / Contribution to Success Grade(%):		0
Etkinliklerinin Başarı Notuna Katkı Yüzdesi(%) Toplamı / Total Percentage of Contribution (%) to Success Grade:		0
Değerlendirme Tipi / Evaluation Type:		

## İŞ YÜKÜ / WORKLOADS

Etkinlikler / Workloads	Sayı / Number	Süresi (Saat) / Duration (Hours)	Toplam İş Yüğü (Saat) / Total Work Load (Hour)
Ara Sınav / Midterm Examination	1	60.00	60.00
Final Sınavı / Final Examination	1	90.00	90.00
Toplam / Total:	2	150.00	150.00
Dersin AKTS Kredisi = Toplam İş Yüğü (Saat) / 25.00 (Saat/AKTS) = 150.00/25.00 = 6.00 ~ 6.00 / Course ECTS Credit = Total Workload (Hour) / 25.00 (Hour / ECTS) = 150.00 / 25.00 = 6.00 ~ 6.00			

## PROGRAM VE ÖĞRENME ÇIKTISI / PROGRAM LEARNING OUTCOMES

Öğrenme Çıktıları / Learning Outcomes	Program Çıktıları / Program Outcomes												
	1.1.1	1.1.2	1.1.3	1.1.4	1.1.5	1.1.6	1.1.7	1.1.8	1.1.9	1.1.10	1.1.11	1.1.12	1.1.13
1.Demonstrate an understanding the basic economic decisions that underlie the economic process: What and how to produce goods and services and how they are distributed. /	5			5	5			4	3	5	2	4	3
2.Understand the concepts of scarcity, choice and opportunity cost and apply these concepts to the analysis of the workings of a market economy. / Understand the concepts of scarcity, choice and opportunity cost and apply these concepts to the analysis of the workings of a market economy.	5			5	5			4	3	5	2	4	3
3.Identify the process of how the nation's output of goods and services is measured through the national income and product accounts; clearly comprehend the income and expenditure approaches to measuring national output and national income. /	5			5	5			4	3	5	2	4	3
4.Acquire the ability to clearly illustrate the specific roles and functions of monetary and fiscal policy in the economy and explain how these are applied to the process of shaping economic policy and stabilizing the economy, specifically with regard to controlling inflation, promoting full employment and facilitating economic growth. /	5			5	5			4	3	5	2	4	3

5.Explain the process of how fiscal policy is enacted and how its functions - taxation and spending - are designed to achieve the goals of equilibrium between Aggregate Demand and Supply; develop a firm understanding of the differences between, and the specific roles of, discretionary fiscal policy and automatic stabilizers in stabilizing employment, income /	5			5	5			4	3	5	2	4	3
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Katkı Düzeyi / Contribution Level : 1-Çok Düşük / Very low, 2-Düşük / Low, 3-Orta / Moderate, 4-Yüksek / High, 5-Çok Yüksek / Very high