

# Course Syllabus

## Principles of Macroeconomics

# The Hashemite University, Faculty of Economics and Administrative Sciences

# Department of Economics

**First Semester, 2012-2013**

### Instructor Information

Instructor: Lu’au Al-Hasasnah

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### Course Identification

Course Number: 110205104

Course Name: Principles of Macroeconomics

Section Number: 1

Accredited Hours: 3 credit hours

Course Locations: Sec. 7: م.غ. 312 / Sec. 5:م.غ. 309

Class Times: Sec.(7) 08:00 – 09:30 / Sec. (5) 1:00-2:00

Prerequisites: No

Faculty Web Page: <http://hu.edu.jo/fac/dept/Faculty_list.aspx>

### Required Course Texts and Materials

McConnell, Brue and Flynn (2011): Principles of Economics. Custom Edition for Hashemite University, McGraw-Hill Companies.

### Course Website(s)

The textbook has the following companion website for:

<http://highered.mcgraw-hill.com/sites/0073365947/student_view0/chapter7/>

### Grading System

Grades will be based on one first and a second exam worth 40%, assignments worth 10% and a final exam worth 50%.

The exams will consist the following: multiple choice, short answer and short answer essay type questions.

Sign in sheets will be used to record attendance at the first, second and final exams.

Please answer your exam using only a blue pen and avoid using other pen colors in your answers.

### Grading Policy

Grades can be based on the following:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Exam** | **Day/ Date** | **Time** | **Place** | **Grades** |
| First Exam | Tuesday 23.10.2012 | 02:00-03:00 | E-Learning Labs | 20% |
| Second Exam | Wednesday 05.12.2012 | 01:00-02:00 | To be announced | 20% |
| Assignments | Whole course | | Class Room | 10% |
| Final Exam | To Be Assigned | TBA | E-Learning Labs | 50% |
| **Total** | | | | **100 %** |

### Classroom Protocol

Attendance is mandatory. Past experiences indicate that there is a strong and positive correlation between attendance and exam scores. The lectures will cover materials not all in the textbook, and you can save yourself a lot of time and frustration by showing up and paying attention in class. Furthermore, you will miss out understanding the assignments required from you.

Students should not carry conversations with each other, or talk to cell phones during class lecture and discussion.

Students are not allowed to read non-assigned materials.

It’s the student responsibility to inform the instructor “a week" prior if there is a conflict with an exam.

It is forbidden to bring your mobile cell phone for calculation purposes. It is just allowed to use the calculator.

### Disability

Students with disabilities or special needs are advised to discuss it with me at your convenient.

### Important Dates to Remember

|  |  |
| --- | --- |
| 16.09.2012 | Begin of classes |
| 21-10.01.11.2012 | 1st University exam period |
| **23.10.2012** | **1st Exam** |
| 25-29.10.2012 | *Al-Adha* anniversary (Tentative- Holiday) |
| 15.11.2012 | Hijri New year (Tentative-Holiday) |
| 02-13.12.2012 | 2nd University examinations period |
| **05.12.2012** | **2nd Exam** |
| 13.12.2012 | End of 1st semester withdrawal |
| 16.12.2012 | Begin for 2nd semester registration |
| 25.12.2012 | Christmas (Holiday) |
| 29.12-10.01.2013 | Final examination week |
| 01.01.2013 | New year(Holiday) |
| 13.01-31.01.2013 | Semester holiday |

### Course Contents

**Ch. 24: Measuring Domestic Output and National Income.**

* Gross Domestic Product
* The Expenditure Approach
* The Income Approach
* Other National Accounts
* Nominal GDP Versus Real GDP
* Shortcomings of GDP

**Ch. 27: Basic Macroeconomic Relationships**

* The Income-Consumption and Income Saving Relationships
* The Interest Rate- Investment Relationship
* The Multiplier Effect

**Ch. 28: The Aggregate Expenditure Model**

* Assumptions and Simplifications
* Equilibrium GDP
* Other Features of Equilibrium GDP
* Changes in Equilibrium GDP and the Multiplier
* Adding the Public Sector
* Equilibrium Versus Full-Employment GDP

**First Exam**

**Ch 31: Money and Banking**

* The Functions of Money
* What Backs the Money Supply
* The Federal Reserve and The Banking System
* Recent Development in Money and Banking

**Ch 32: Money Creation**

* The Fractional Reserve System
* A Single Commercial Bank
* The Federal Reserve system
* Money – Creating Transactions of A Commercial Bank
* The Banking System: Multiple-Deposit Expansion

**Ch 33: Interest Rate and Monetary Policy**

* Interest Rate
* The Consolidated Balance Sheet of the Federal Reserve Banks
* Tools of Monetary Policy
* Targeting the Federal Funds Rate
* Monetary Policy, Real GDP, and the Price Level
* Monetary Policy: Evaluation and Issues
* Key Graphs (pages 370 -371 and 376-377)

**Second Exam**

**Ch. 26: Business Cycles, Unemployment and Inflation**

* The Business Cycle
* Unemployment
* Inflation
* Redistribution Effects of Inflation
* Does Inflation Affect Output?

**Final Exam: All the above chapters**