



**SOUTHEAST UNIVERSITY**  
**School of Business Studies, BBA Program**  
**Course Title: Macro Economics**

Course Code: ECO2114	Semester: Spring, 2014	Section: B
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Instructor: Mohammad Kamrul Arefin (MLR)

Office:

Class Room: 305

Office Phone: 01833179916

Class Time: ST 11:30AM – 12:50PM

Office hours: ST 2:20 PM-3:20PM

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**COURSE DESCRIPTION & OBJECTIVES:**

This course will help students to understand the behaviour and impact of different macro aggregates in our economy. Here you will learn how fiscal policy, monetary policy and foreign trade policy impact on businesses and as a future business leader how should you react to changes in such policies.

**TEACHING APPROACH:**

The class will meet for a total of 36 hours divided into 24 x 1.5 hours lectures. The classes will be conducted through lectures, and presentations. Students are required to take notes, answer questions, and participate actively in the class.

Students are strongly encouraged to communicate with the lecturer through email or phone and meet lecturer during office hour (outside office hour by prior appointment) for any questions they may have.

**TEXT BOOK:** Samuelson and Nordhaus; Economics, 18<sup>th</sup> Edition.

**Supplementary Text:** Hand Note on Macro-Economics for Business Students Prepared by Dr. Zaid Bakht, Senior Research Director of BIDS.

**LECTURE OUTLINE:**

Lecture	Topics
Lec 1-3	Handout # 1: National Income Accounts (the concepts of macro aggregates and macro policy, tools of macro-economic analysis, GDP as a measure of national output, nominal GDP and Real GDP, Circular flow of income, expenditure, and output, GDP as a measure of aggregate expenditure, etc.
Lec 4-5	Handout # 2: Unemployment (Economic classification of population and measurement of unemployment, working of the labor market, natural rate of unemployment, causes of unemployment and policy response.
Lec 6-8	Handout # 3: Inflation (Demand-pull and cost-push inflation and the role of inflationary expectation, adverse impact of inflation, construction of price indices.
Lec 9	<b>Mid Term 1</b>
Lec 10-13	Handout # 4: The Monetary System ( Evolution of money and its functions, measurement of money supply, money creation by commercial banks, the role of the central bank, equation of exchange etc.
Lec 14-16	Handout # 5: Interactions between the Product and the Labor Market Supply Response in the Short and the Long Run

<b>Lec 17-18</b>	Handout # 6: Aggregate Demand- Consumption and Multiplier
<b>Lec 19</b>	<b>Mid Term 2</b>
<b>Lec 19-22</b>	Handout # 7: Aggregate Demand- Investment ( Determinants of investment demand, interest rate determination, working of the monetary policy, crowding out, relative effectiveness of fiscal and monetary policy).
<b>Lec 23-26</b>	Handout # 8: Trade and Exchange Rate Policy
<b>Final Exam TBA</b>	

## EXAMS:

There will be a total 6 quizzes (best 4 will be count) and 3 exams.

## COURSE GRADING COMPONENTS:

Component/Coverage	Weights (%)
Quiz	20
Mid Term 1	25
Mid Term 2	25
Final Exam	25
Class Participation	5

## Grading Scheme:

According to South East University grading policy, the following is a suggested conversion scheme:

A+	A	A-	B+	B	B-	C+	C	D	F
80	75	70	65	60	55	50	45	40	<40

## COURSE POLICY:

- It is important that you attend classes regularly. In-class participation is a key component of the course.
- You will not be allowed to take any make-up exam unless you provide evidence of a valid reason. You are expected to inform the lecturer at least 12 hours prior the exam about your incapacity. The make-up diet of the exam will be harder than the regular exam and it will be comprehensive.
- Any type of plagiarism will result in F (Fail) grade in the course. Please do not use cell phones in the exam. If you get caught having cell phone switched on during exam then you will be convicted for plagiarism.
- Please turn off all cell phones before entering the class. If you are to take the call then leave the class silently without asking permission.
- The instructor and university reserve the right to modify elements of the course during the term. It is the responsibility of the student to check their emails, university website and instructor' website regularly during the term to note any changes.

GOOD LUCK