



Economics 2 2010-2011 Course Outline

1. What is Macroeconomics?
 1. The major macroeconomic issues
 2. Types of macroeconomic policy
 3. Macroeconomics and aggregation
2. Measuring Economic Activity and Economic Variables
 1. Measuring the economy's output and the unemployment
 2. Measuring the price level and inflation
3. Economic Growth, Productivity and Living Standards
 1. Economic growth and living standards – empirical analysis
 2. The crucial role of growth rate
 3. The crucial role of average labor productivity
 4. Determinants of average labor productivity
 5. Policies that promote economic growth
 6. Costs of economic growth
4. Private Consumption, Household Savings and Investment
 1. Private consumption, household savings and wealth
 2. Investment
 3. Saving, investment and financial markets
 4. Investment and capital
5. Government and Public Finance
 1. Government budget: concepts and roles
 2. Government budget: expenditures and receipts
 3. Government budget surplus and public
 4. Government debt
6. Foreign Trade and Balance of Payments
 1. Nominal exchange rate
 2. Real exchange rate
 3. Exchange rate systems
 4. Exports and imports
 5. International trade
 6. The balance of payments
7. Economic fluctuations: An Introduction
 1. Recessions and expansions
 2. Characteristics of short-term economic fluctuations
 3. Measuring the fluctuations: output gap and cyclical unemployment
8. Aggregate Demand and Income in the Short Run
 1. Keynesian model (without Government)
 2. Keynesian model (with Government)
 3. Keynesian model (open economy)
9. Money and Monetary Policy
 1. Demand for money
 2. Supply of money and money market equilibrium
 3. Interest rate and aggregated demand
 4. Supply of Money and inflation
10. Aggregate Demand and Aggregate Supply: An Introduction
 1. Aggregate demand curve
 2. Aggregate supply curve
 3. Shocks in demand and in supply