Instructor: Xirong Lin  
Office: 340C, Maloney Hall  
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Lecture Time: Tuesday, Thursday 1 – 4:15 pm

Office Hours:  
Class Location:  

Note: Office hours are subject to change at the discretion of the instructor.

Course Description:
This course is an analysis of national income and employment, economic fluctuations, monetary and fiscal policy, inflation, growth, and international aspects of macroeconomic policy. This course is an analysis of prices, output, and income distribution through the interaction of households and business firms in a modern Western economy. The appropriate role of government intervention is examined, and basic analytical tools are applied to current economic problems.

Textbook:
The Economy, Version 2.0, by The CORE Team.

The e-book version is freely available at core-econ.org. The paperback version is available at the campus bookstore.

Grading:
Final grade for the course will be determined using the weights as follows:

- **Problem Sets** 25%
- **Exam 1** 35%
- **Exam 2** 40%

Problem Sets:
- Homework are provided online on dashboard.oup.com.
- OUP Dashboard is an online system created to manage online homework.
- To register
  - Click here
  - At the bottom of the page click on Boston College
  - In the new page click on Xirong Lin
  - There you will have to create an account and purchase the access to the portal
- Homework is roughly provided at the beginning of each unit.
- There is only one attempt for each homework.
- If homework is submitted after the deadline, it is not counted.
- I will drop the two bottom homework results in the final evaluation.
• Teamwork in solving the Homework assignments is allowed. In fact, it is
couraged.

Other information:
• Students are encouraged to participate in classroom discussions.
• Exams are cumulative, but larger emphasis is placed on last topics covered.
• If one misses an exam (with an excused absence from the Dean), the weights on
his/her other exams will be adjusted proportionately. The final exam cannot be
missed.
• Electronic devices are not allowed during class.
• Information on economics tutors is available at the entrance desk of the BC Econ
department.
• Attending classes is required, but please don't email me if you miss a class.

Academic Integrity:
A breach of academic will result in
1. An automatic failure in the lab (i.e., a grade of zero) and
2. Reporting the incident to the College of Arts and Sciences as required by the
University.

See http://www.bc.edu/publications/ucatalog/policy.shtml#integrity for a full discussion
of the university’s policies and procedures regarding academic integrity.

Accommodations for Learning Disabilities:
If you have a learning disability, you are strongly encouraged to request accommodations
for this course. Please register with Kathy Duggan (dugganka@bc.edu) Director, the
Connors Family Learning Center (learning disabilities and ADHD) or Paulette Durrett
(paulette.durett@bc.edu), Assistant Dean for Students with Disabilities (all other
disabilities). Advance notice and appropriate documentation are required for
accommodations.

Student Athletes:
If you are a student athlete, you will need to bring me your travel/game schedule for me to
sign. Additionally, if you need extra help, please talk to your counselor at Learning
Resources for Student Athletes (LRSA) to schedule for tutoring sessions.
Course Outline:
Part I: Historical Background (Units 1 and 2)
   How capitalism revolutionized the way we live, and how economics attempts to understand this and other economic systems
   How improvements in technology happen, and how they sustain growth in living standards

Part II: Technical Tools (Units 2, 3.2, and 3.4)
   How and why economists design theoretical models to describe and analyze economic systems
   Which general and technical tools will be useful for us

Part III: The firm and its own actors (Unit 6)
   How the interactions among the firm's owners, managers, and employees influence wages, work, and profits, and how this affects the entire economy

Part IV: The firm and its profits (Unit 7)
   How a profit-maximizing firm producing a differentiated product sets prices and quantities

Part V: The labor market (Unit 9)
   Why the labor market represents a special market and how we should analyze it

Part VI: The financial system (Unit 10)
   How macroeconomics refers to the financial system and why is considered to be important
   How credit, money, and banks expand opportunities for mutual gain
   Which factors limit efficiency and effectiveness of the financial system

Part VII: Asset pricing and asset market bubbles (Units 11.5-11.8)
   How markets price financial assets
   How bubbles arise and can be modeled

Part VIII: Business cycles (Unit 13)
   Why economies experience recurrent fluctuations in aggregate production, unemployment and inflation

Part XIX: Fiscal policy (Unit 14)
   How governments can moderate costly fluctuations in employment and income
Part XX: Monetary policy (Unit 15)

How the rate of unemployment and the level of output affect inflation
How policymakers can perform effective policies to stabilize employment and incomes

Part XXI: The great depression, golden age, and global financial crisis (Unit 17)

What Economists have learned from these periods
How we can use models previously studied to explain those events