Study Guide
Economics 1100
Basic Macroeconomics

Department of Economics
Fordham University
Lincoln Centre

Professor Jan H van Heerden
PhD (Rice University)

Last Revision: March 2018

© Copyright reserved
1. **INTRODUCTION**

This study guide is designed for students who take the undergraduate basic macroeconomics course in the Department of Economics at Fordham University at the Lincoln Campus. Please read through all sections of this document carefully. Details of the work to be covered are shown in the course outline section. Students who wish to continue with postgraduate studies in the Department should note that they also need to complete the intermediate macroeconomics courses presented at the second year level.

The content of the Econ 1100 course covers a broad range of macroeconomic topics, focusing on the labour market and money market, but also studying highlights from our economic history, from as far back as the Industrial revolution, through the Great Depression and including the very recent Global Financial Crisis.

**LECTURE TIMES AND VENUES**

**Econ 1100 lectures during the first Summer semester are as follows:**

- **Prof. Jan van Heerden (Lincoln Centre)**
  - Tuesday 6-9 pm.
  - Wednesday 6-9 pm.
  - Thursday 6-9 pm.

Please refer to your timetable booklet for more information concerning recess dates and lecture days on which other timetables will be followed. Announcements regarding the schedule of homework will only be made in class.

Contact Professor van Heerden at jan.vanheerden9@gmail.com

2. **CLASS PARTICIPATION**

Attending lectures and participating in class is compulsory. Dialogue is not only strongly encouraged, it is critical to your understanding of the material. Remember, there is no such thing as a stupid question! Vocalising your questions often helps you to gain clarity on what you do and do not understand. It also provides your lecturer with important feedback on areas that we need to spend more time on. In order to make the most of your time during lectures, we ask that you quickly scan through the material to be covered that day and prepare as best you can for class; this encourages active listening and creates a more productive learning environment.
3. **ASSESSMENT STRUCTURE**

The final mark for Econ 1100 will be composed as follows:

- Midterm exam: 20%
- Class tests and online assignments: 20%
- Class participation: 10%
- Final examination: 50%

4. **PRESCRIBED MATERIAL**

The following textbook is prescribed for Econ 1100 (Lincoln only):


We encourage you to read outside of the prescribed textbook. The Economist ([www.economist.com](http://www.economist.com)) has interesting and relevant articles in both micro- and macroeconomics: you can read a few articles per week on their website without subscribing.

5. **COURSE OUTLINE**

A one-semester introduction to macroeconomics based on the CORE text has been taught at Sciences Po, Paris and Middlebury College, Vermont, US. We will not try to cover all the macroeconomics in the textbook, but rather focus on a few topics in more detail to give you a feel of what macroeconomics is really about. Hopefully you will be excited by the course and decide to take more courses from the Economics Department at your school.

**Econ 1100 Lincoln Centre**

**Week 1**

Unit 1 – The capitalist revolution:

We will have a brief look at how capitalism has revolutionized the way we live, and how economics attempts to understand it and other economic systems. Why has it become a swear word in some countries? An economics student should be able to take part in any discussion on the topic.
Unit 2 - Technology, population and growth:
Why have computers and cell phones, amongst others, developed so much during the past decade? How does technology work and how does the improvement in technology influence our living standards over time?

Videos
https://www.youtube.com/watch?v=pYHcS9WYtas
https://www.youtube.com/watch?v=2vjumHjARzg
https://www.youtube.com/watch?v=6QKIts2_yJ0
https://www.youtube.com/watch?v=zaR9iU6txa4

Week 2
Units 9, 13 and 14 – Labour market and unemployment:
We will try to understand the unemployment problem from different points of view. How are wages determined and what is the relationship between the labor market, wages, profits and unemployment? We also focus on economic fluctuations and unemployment, and concludes with the influence of fiscal policy on unemployment.

Week 3
Units 10 and 15 – The money market and inflation:
This week we will focus on banks and the money market, and its relationship and influence on inflation, and even unemployment. There is a strong relationship between the three economic variables: economic growth, inflation and unemployment, and we will try to understand these concepts and their relationship.

Week 4
Units 12 and 20 – Markets, efficiency and public policy
We are so used to the capitalist system and market economy that we forget about the many problems that the government needs to solve. This week we focus on the role of the government in the free market economy and the economics of the environment.

Week 5
Unit 17 A historic view of macroeconomics
We start at the Great Depression and look at the history of macroeconomics right up to the recent Global Financial Crisis, and try to find linkages between the capstone events in history.