

**İKT 234**  
**MACROECONOMIC THEORY II**

**Contact Information:**

Instructor : Asst. Prof. Ünay TAMGAÇ TEZCAN  
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Office Hours : Monday 16:30-17:30 (outside office hours please make an appointment via [email](mailto:etuktisatders@gmail.com).)

**Course email:** : [etuktisatders@gmail.com](mailto:etuktisatders@gmail.com)

**Course hours and location:**

Monday 14:30-16:20 Location: AB206  
Friday 13:30-15:20 Location: AB304

**Course Book:**

Olivier Blanchard, Macroeconomics, 8th Edition, Pearson

**Course Description:**

This course is designed as the second part of the sequence of macroeconomic theory courses. The main objective of the two course series is to study topics in macroeconomics through basic models build on equilibrium in the goods, financial and labor markets. The course starts with an extension of the closed economy models studied in İKT 233 with a focus on the role expectations in the short run and medium run. Majority of discussion will be on open economy models including implications of different exchange rate regimes. The course concludes with discussions on macroeconomic policy, specifically the role and limits of monetary and fiscal policy.

**Course Organization:**

- The course will be conducted in English.
- The main textbook of the course is in English and students are expected to read the relevant sections of the book. Since each topic is connected with the previous ones you should read the course book parallel to the class and attend the classes.
- In addition to the class lectures, additional recitation lecture might be conducted by the assistant teacher of the course, if required, to solve practice questions related to the covered topics. The students are expected to attend these recitation hours.
- Course updates will be announced on the course website and during the class hour. It is the responsibility of the students to follow-up the announcement writing on the website.

**Evaluation:**

The final course grade will be determined according to the following weights considering how you perform relative to the class:

- Homework and quizzes (%30)
- Midterm Exam (30 %)
- Final Exam (40 %)

- ❖ Midterm Exam will cover all of the topics lectured until the exam date.
- ❖ Final exam date will be determined by the university administration at the end of term. Final exam will cover all of the topics lectured through the semester, with latest topics weighted.
- ❖ Detailed information about homework and quizzes will be announced throughout the trimester.

### **Main Issues to Be Considered**

1. **During the course:** The student(s) who are distracting the lecture flow and disturbing other students will be warned verbally. Student who continues the negative behavior will be invited to leave the class. Students should be sensitive about the regular class hours.
2. **Office hours:** I expect you to pay attention to the office hours outside office hours. If you cannot come to the office hours, ask for an appointment via email. **No office hours will be conducted on exam days.**
3. **Outside class communication:** For course-related questions and appointments, communication with email is preferred. You must comply with the general rules of written communication in email correspondence. Please write the **course code (IKT 234) and subject title into the subject line of your mail. E-mails which are anonymous (no name and last name written), without course code (IKT 234) and subject title will not be considered.**
4. **Attendance:** Attendance is obliged by the rules of the university. According to the rules set by the university, students who are absent more than 30 % of the total course hours will be grade with “U” from class.
5. **Exam Content:** Students will be responsible topics covered in this course along and all the course material for exams. Mid-term exam will include the topics that discussed until the date. The final exam including all subjects in period but the weight will be after on the mid-term examination. Detailed information about homework and quizzes will be announced within the period.
6. **Cheating:** Cheating in exams or to inflict or attempt to is a disciplinary offence for one or two semester suspension by The Higher Education Institution. (<http://www.yok.gov.tr/content/view/475/183/lang.tr/>). This process will be made according to these rules in our university.
7. **Make-up Exams:** It is for the students’ benefit to take the exams on the announced dates. If you have an acceptable and documented excuse you can take a make-up exam after the finals are over. The make-up exam will cover all the topics covered during the class. Considering that students will have more time in preparation for the make-up compared to the rest of the class, makeup exams will be designed to include more comprehensive and detailed topics. Student should expect the make-up exam to be more difficult.

8. **Homework:** Late submissions are not accepted and will result in a grade of zero. Students will be informed about how they should submit their assignments (via email or in other ways) and points may be deducted from students who don't submit their homework in the announced way. While submitting assignments, you should write the “**course id and number of assignment with your contact information**” in the topic field of the email. The emails that don't contain this information will not be accepted.

Wish you an efficient, successful and enjoyable term...

**Tentative Course Plan:**

WEEK #	WEEK START	SUBJECT
1. week	18-Sep	Introduction
2. week	25-Sep	Review of some topics in İKT 233
3. week	2-Oct	Chapter 9. Putting All Markets Together: From the Short to the Medium Run
		<b>The Long Run</b>
4. week	9-Oct	Chapter 10. The Facts of Growth
5. week	16-Oct	Chapter 11. Saving, Capital Accumulation, and Output
6. week	23-Oct	Chapter 12. Technological Progress and Growth Chapter 13. The Challenges of Growth
		<b>EXTENSION: EXPECTATIONS</b>
7. week	30-Oct	Chapter 14. Financial Markets and Expectations Chapter 15. Expectations, Consumption, and Investment
8. week	6-Nov	Chapter 16. Expectations, Output, and Policy
		<b>EXTENSION: THE OPEN ECONOMY</b>
9. week	13-Nov	Chapter 17. Openness in Goods and Financial Markets
10. week	20-Nov	Chapter 18. The Goods Market in an Open Economy
11. week	27-Nov	Chapter 19. Output, the Interest Rate, and the Exchange Rate
12. week	4-Dec	Chapter 20. Exchange Rate Regimes