Department of Economics **Boğaziçi University**

EC 205 Macroeconomics I

Spring 2026

Syllabus

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Lectures: Tuesday 13:00-14:50, M1171 &
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Teaching Assistant (TA): Erhun Çetiner erhun.cetiner@bogazici.edu.tr

Student Teaching Assistants:

- Ali Kaan Kural ali.kural@std.bogazici.edu.tr
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Office Hours: Thursday 14:00-14:50 or by appointment (NB 222A)

Course website: Boğaziçi University Moodle
moodle.bogazici.edu.tr

Textbook: Macroeconomics, 8th Edition by Gregory N. Mankiw
ISBN-10: 1429240024
(6th, 7th, or newer editions are also acceptable as long as students using other versions of the book are responsible for keeping track of changes in the editions.)

Prerequisites: EC 102 Principles of Macroeconomics

Course Objectives:

This course aims to give students a solid understanding of macroeconomic theories. Students will explore various aspects of macroeconomics, including long-term levels of key macroeconomic variables, short-run dynamics, and real business cycles. We will begin with the classical theory, focusing on the determination of long-term macroeconomic variables like income, unemployment, inflation, and interest rates. Subsequently, using Keynesian IS/LM models, students will examine the causes of short-term fluctuations and how policymakers can adjust the economy in response to favorable or adverse shocks through fiscal and monetary policies. Finally, the course will explore the limitations of the Keynesian approach and introduce the foundations of the Real Business Cycle (RBC) theory, which emphasizes optimal decision-making by economic agents.

Grading: The letter grade will be based on problem sets, midterm exams, and a cumulative final exam. The weights are as follows:

- 4 Problem Sets: 20% (each of which has a weight of 5%)
- Midterm Exam: 35%
- Final Exam: 45%

The standard catalog grading protocol accepted at Boğaziçi University is as follows:

Letter Grade	Interpretation	GPA	Percentage Interval
AA	Excellent	4.0	90-100%
BA	Good-Excellent	3.5	85-89%
BB	Good	3.0	80-84%
CB	Passing-Good	2.5	75-79%
CC	Passing	2.0	70-74%
DC	Passing-Poor	1.5	65-69%
DD	Poor	1.0	60-64%
F	Failed	0.0	0-59%

Yet I reserve the right to adjust letter grade brackets based on the class's grade distribution.

Course Withdrawal: Please check the last day to withdraw from the academic calendar page.

Tentative Midterm Exam Date:

- Midterm Exam: TBA

The midterm exam will cover the material covered up to the midterm date. The exam will be held at 17:00. It is imperative to arrive on time, as extra time will not be granted for late arrivals. The Midterm exam will have both multiple-choice and problem-solving & essay parts.

Final Exam Requirements: In order to be able to take the final exam, students are required to earn <u>at least 40% of the available points on the midterm and problem sets</u>. Students below this threshold may be announced on the course website before the final exam date and may not be allowed to take the final exam.

Final Exam:

- Final Exam: May/June 2026, TBA

The final exam will be comprehensive, with a greater weight on the post-midterm topics. Timeliness is required since extra time will not be given for late arrivals. The final exam will also include multiple-choice, problem-solving, and essay sections.

Attendance: Regular attendance is expected and strongly recommended, as class participation is essential for mastering the material.

Problem Sets: There will be four problem sets, all of which will be graded, each contributing to 5% of your overall grade. Problem sets will be posted online, and their due dates will be announced on the course website. Please check the course website frequently to avoid missing deadlines.

Problem Sessions (Recitations): Your teaching assistants will hold biweekly problem sessions (dates and times will be announced). Attendance is strongly recommended but not required.

Communication: E-mail will be the primary means of communication outside the classroom, and I will send e-mails whenever necessary to inform you of course updates. Please make sure that the e-mail address you have with the Registrar's Office is up to date so that you will not miss any of the announcements.

Make-up Exam Policy: All students must attend the midterm and final exams. Make-up exams will be granted only to those students whose excuse complies with the University policy. If you believe you are eligible to take a make-up exam, please inform me and provide the appropriate documentation as soon as possible, no later than one week (7 calendar days) after the exam, preferably before the scheduled exam. Make-up exam requests should be directed to me in person, with proper documentation (including a clear written explanation of the reason for the absence and valid excuse documents).

Exam Re-grade Policy: If, after going over your exam and the exam solutions, you believe some of your answers were more correct than initially judged to be, you may submit, in writing, an exam re-grade request. Your re-grade request must specify which solutions(s) you believe were not graded appropriately and a substantive explanation for why you believe your answers are more correct than they were initially judged (thus, re-grade requests that consist of essentially nothing more than "I think I should have received more points on this question" will not be considered). Your entire exam is subject to regrading, raising the possibility of a lower grade. Exam re-grade requests are due no later than one week (7 calendar days) after exams are announced. This deadline applies even if you are not present in class the day graded exams are returned (it is your responsibility to pick up your graded exams in a timely manner).

Accommodations: Students requiring special accommodations for exams must contact me within the first two weeks of classes.

Academic Integrity: The undergraduate program of the Department of Economics is conducted within the framework of the Student Discipline Regulations of the Council of Higher Education (CoHE, Yükseköğretim Kurulu, YÖK in Turkish) and rules accepted by the Boğaziçi University Committee on Ethical Conduct.
For the student discipline regulations by the CoHE (YÖK), see (in Turkish): https://bit.ly/yoekdisiplin

For the ethics code accepted by Boğaziçi University, see: http://bit.ly/bounethics

The students of the Department of Economics are also informed about the consequences of academic dishonesty in the EC 103 Orientation to Economics course. For a brief refresher, see:
https://bit.ly/bounplagiarism

Copyrights: All course materials are copyrighted. Selling or distributing copies or modified copies of the instructors' course materials or assisting another person or entity in selling or distributing those materials without permission is strictly prohibited.

Outline of topics: The following is a sketch of topics we will cover this semester – it may be modified as the course progresses and is only *tentative*.

Tentative Course Outline

Chapter 1: The Science of Macroeconomics
Chapter 2: The Data of Macroeconomics
Chapter 3: National Income: Where It Comes from and Where It Goes
Chapter 4: The Monetary System: What It Is and How It Works
Chapter 5: Inflation: Its Causes, Effects, and Social Costs
Chapter 7: Unemployment
Chapter 8: Economic Growth I: Capital Accumulation and Population Growth
Chapter 9: Economic Growth II: Technology, Empirics, and Policy
Lecture Notes on Economic Growth
Chapter 10: Introduction to Economic Fluctuations
Chapter 11: Aggregate Demand I: Building the IS-LM Model
Chapter 12: Aggregate Demand I: Applying the IS-LM Model
Chapter 14: Aggregate Supply and the Short-Run Tradeoff Between Inflation and Unemployment
Optimal Consumption: Mathematical Refresher (Handout Chapter -1)
Optimal Consumption: Representative-Agent Macroeconomics (Handout Chapter 0)
Optimal Consumption: Microeconomics of Consumer Theory (Handout Chapter 1)
Optimal Consumption: Static Consumption Leisure Model (Handout Chapter 2)
Optimal Consumption: Dynamic Consumption Saving Model (Handout Chapter 3)
Optimal Consumption Chapter 4: Inflation and Interest Rates in the Consumption-Savings Model (Handout Chapter 4)
Optimal Consumption Chapter 25: History of Macroeconomics
Final Review (time permitting)