Lecture Notes on Economic Growth and Economic Fluctuations

Eric Doyiak

3rd Edition, July 2011

Table of Contents

Lecture 1: Introduction and Math Review

5

11	♦ Homework #1A
12	♦ Homework #1B – More Math Review Problems
14	What's the difference between Marginal Cost and Average Cost?
18	♦ Calculus Tricks #1
23	♦ Homework #1C
25	◆ Calculus Tricks #2
32	♦ Homework #1D
33	◆ Notes on Logarithms
36	Lecture 2: The Production Process
47	• Why does a Firm Maximize its Profit where Marginal Revenue equals Marginal Cost?
49	 Notes on Profit Maximization
54	 Notes on the Zero Profit Result
56	♦ Homework #2
57	Lecture 3: the Distribution and Allocation of National Income
61 75	Lecture 4: Economic Growth: the Solow Model ♦ Homework #4
76	Lecture 5: Economic Growth: Transition Dynamics
82	♦ Homework #5
83	Lecture 6: Economic Growth: Human Capital
88	♦ What factors affect a country's level of economic development?
90	♦ Homework #6
91	Lecture 7: Economic Growth: Technological Progress
95	Review for the Mid-term Exam
96 103	Lecture 8: Supply, Demand and Equilibrium ◆ Homework #8
104 112	Lecture 9: Unemployment in the Long Run ◆ Homework #9

(continued on the next page)

113 149	Lecture 10: Money and Inflation in the Long Run ◆ Homework #10
151 162	Lecture 11: Economic Fluctuations: the Goods Market → Homework #11
164 171	Lecture 12: Economic Fluctuations: the Goods and Money Markets ◆ Homework #12
172 179	Lecture 13: Output and Inflation in the Short Run ◆ Homework #13
180 190	Lecture 14: the Short-Run Tradeoff between Inflation and Unemployment ◆ Homework #14
191	Review for the Final Exam