Course Description

This course deals with the concerns of employment, output, inflation and interest rates taking a macroeconomic perspective and dealing largely with the short run. Simple models are progressively enlarged as required to analyze particular questions.

Prerequisites: Economics 201 and 202 or equivalent (a background of supply and demand with related analytical apparatus).

Administrative Details

Grading will be based on a midterm exam (1/3) and a final exam (2/3).

Class attendance is not mandatory, but is likely to prove quite helpful in terms of satisfactory test performance.


Abbreviated Outline of the Course

Introduction
Chapter 1 D-F

National Income Accounting
Chapter 2 D-F (Class notes will be more abbreviated and are all that you are responsible for)

A Basic Model of Income Determination
Chapter 3 D-F

Income Determination in a Monetary Economy
Chapter 3 D-F

Stabilization Policy
Chapters 5, 8, 9

Aggregate Demand, Aggregate Supply, and Price Flexibility
Chapters 10, 11

Inflation and Unemployment
Chapters 12, 13, 14 (Class notes will present this material somewhat differently)

Policy--Keynesian and Monetarist
Chapter 15 (review Chapter 13)

Macrodynamics
Class notes

This outline will be followed fairly closely, although a great deal of cross-referencing will occur (it is difficult to present some of the earlier material with a straight face in view of the last 15 years experience with inflation) which will enable you to keep the larger forest in mind while studying the trees in detail.