Economics 408, Section 3
Intermediate Macroeconomic Theory
Fall 1986

Instructor: Frank Vorhies
Office: Room 222, Economics Building
Hours: 1:30 - 3:00 Tuesdays and Thursdays
Phone: 492-6781 (office) or 830-0831 (home)

Lectures: 11:00 - 12:15 Tuesdays and Thursdays
Classroom: Room 13, Economics Building
Workbook: Student Workbook by J. Cochran
Articles: assigned from The Wall Street Journal

Course Description:
"National income and employment theory. Primary emphasis placed on determination of levels of employment and prices. Within the framework of a general equilibrium macroeconomic model, theories of consumption, investment, and money are considered. The problems of unemployment and inflation are analyzed and appropriate monetary and fiscal policies considered. " (1985-86 Catalog)

Assignments & Exams:
1. Complete the problems in the textbook and exercises in the workbook. Many exam questions come from these materials.

2. Analyze two (2) articles from The Wall Street Journal that relate to macroeconomics. Make each analysis two to three pages typed single-space and attach the article. These are due Tuesday, November 25th. Late papers are not accepted. (20% of your course grade.)

3. The comprehensive midterm and final exams consist of objective questions, work problems and short essays. If you earn a higher grade on the final, it will be your exam grade. If you earn a higher grade on the midterm, the average of your two grades will be your exam grade. There are no make-up exams. (80% of your course grade.)
Course Outline:

Lectures: September 4, 9, 11, 16, 18, 23, 25, 30
          October 2, 7, 9, 14, 16

1  Measuring National Income
2  The Simple Theory of Income Determination
3  Government and the Simple Theory of Income Determination
4  Capital and Investment
5  Consumption
6  Product-Market Equilibrium
7  The Supply of Money

Midterm Exam: Tuesday, Oct. 21

Lectures: October 23, 28, 30
          November 4, 6, 11, 13, 18, 20, 25
          December 2, 4, 9, 11

8  The Demand for Money
9  The Expanded Theory of Aggregate Demand
10 The Theory of Aggregate Supply
11 The Expanded Theory of Income Determination
12 Unemployment and Disequilibrium
13 Inflation
16 Macroeconomic Policy

Final Exam: Week of December 15