

**ECONOMICS 3080-003**  
**Intermediate Macroeconomic Theory**  
Spring 2012

Instructor: Thibault FALLY  
Office: ECON 11  
Office Hours: Monday and Wednesday 3:00-4:00 PM and by appointment  
Email: [fally@colorado.edu](mailto:fally@colorado.edu)  
Class Time: Monday, Wednesday and Friday, 12:00-12:50 PM  
Class Room: MUEN E113  
Class Website: <https://learn.colorado.edu/>

NB: Please bring a copy of your transcript on the first day of class to verify the prerequisites!  
The new IT system will automatically check prerequisites in the future, but this is not done yet.

### **Course Overview**

Macroeconomics focuses on aggregate outcomes and indices such as countries' GDP, unemployment, interest rate, inflation or long-term growth. This course will provide some basic tools and intuitions to understand these aggregate figures.

Macroeconomics matters. On the one hand, macroeconomic fluctuations can hurt people: a macroeconomic shock such as the recent crisis can decrease wages, leave people unemployed, destroy retirement funds, etc. On the other hand, long-run steady economic growth is key to reducing poverty, especially in less developed countries.

In this course, we will cover in turn:

- The aggregate production function and how GDP can vary so much across countries
- Solow's model of capital accumulation
- R&D, ideas and productivity
- Unemployment
- Inflation
- Economics of the short run: concepts and methods
- Monetary policy and interest rates
- The recent financial crisis
- Government spending
- International trade and finance.

In Macroeconomics, as in most other fields in economics, models involving some mathematics are essential to convey ideas and economic intuitions. It is therefore important that the math does not constitute a barrier. You should be comfortable taking derivatives, solving systems of equations, and discussing mathematical properties of the models.

## Prerequisites

Economics prerequisites: ECON 1000 or 2020. Mathematics prerequisites: ECON 1078 and 1088, or MATH 1300, or MATH 1310, or MATH 1081, or MATH 1080, 1090, and 1100, or APPM 1350, or equivalent. Consult with your adviser if you have questions regarding prerequisites.

## Required Textbook

Second edition of Charles I. Jones (2011), *Macroeconomics*, W.W. Norton & Company.  
See <http://www.stanford.edu/~chadj/macrobook.html>

## Grading

Your course grade will consist of two midterm examinations, a final, and assignments. Your grade will be determined as follows:

Midterm 1	25%
Midterm 2	25%
Final	30%
Assignments	15%
Class participation	5%

All exams will be held in the classroom on the following dates:

Midterm 1	Wednesday, February 29 <sup>th</sup> , 12:00-12:50 PM
Midterm 2	Wednesday, April 4 <sup>th</sup> , 12:00-12:50 PM
Final Exam	Wednesday, May 9 <sup>th</sup> , 4:30-6:30 PM

No exam will be dropped or given early, and there will be no makeup exam. If you miss an exam, the weight of your final will be automatically increased (i.e. if you miss one midterm your final will be worth 55%). If you miss both midterms, you will automatically fail the course. If you are present at both midterms, the lowest grade of the two midterms can be dropped, in which case the weight of the final is 55%.

Each exam will be composed of two sections: multiple choice and short answers/problems. Exam questions can be on any topic covered in the book and the lectures, with a particular emphasis on the lectures. The final exam is cumulative. You should bring a pen/pencil and calculator to the exam. Ipods, graphing or cell phone calculators will not be permitted. You will write on the exam forms, so no blue books or other papers should be necessary. You may not bring lecture notes.

Attendance to the lectures is mandatory. I will take roll during at least the first three quarters of the semester and I require a minimum of 75% presence. The grade for class participation (5%) will be based on class attendance, class participation (you are encouraged to ask questions) and suggestions.

Assignments will be posted on the course website and in general will be due in a week. There will be approximately one assignment every three weeks. I will announce when the assignments are posted. I will collect the assignments at the beginning of the class when it is due. Due dates will be announced beforehand and can also be found on the course website. Problem sets have to be handed on time (I may penalize or refuse grading late homework).

## **Office Hours and E-mail**

Office hours are for your benefit. They provide an opportunity to ask questions in a small group setting. If you cannot make my office hours, please e-mail me to set up an alternative time. In any case, I strongly encourage you to email me if you have any question related to the course (question on the lectures, exercises, exam preparation, etc.). I am very responsive in general.

## **Other Information**

### *Disability Policy*

If you qualify for accommodations because of a disability, please submit a letter from Disability Services to me in a timely manner so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and <http://www.Colorado.EDU/disabilityservices>

### *Religious Observance Policy*

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. If you have a conflict, please contact me at the beginning of the semester so we can make proper arrangements.

### *Classroom Behavior Policy*

Students and faculty each have responsibility for maintaining an appropriate learning environment. Students who fail to adhere to such behavioral standards may be subject to discipline. Faculty has the professional responsibility to treat all students with understanding, dignity and respect, to guide classroom discussion and to set reasonable limits on the manner in which they and their students express opinions. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records.

### *Honor Code*

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-725-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>.

### *Discrimination & Harassment Policy*

The University of Colorado at Boulder policy on Discrimination and Harassment (<http://www.colorado.edu/policies/discrimination.html>), the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships applies to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.