

UNIVERSITY OF COLORADO

Department of Economics

Intermediate Macroeconomics-ECON 3080-003, Fall 2012

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Lecture: TTh: 3:30-4:45, August 28-December 13, ECON 117
Office Hours: TTh: 2:00pm-3:30pm, and by appointment.
Website: <http://learn.colorado.edu>

Course Description

Macroeconomics is the study of the aggregate economy. We will explore the determinants of both long term trends and short term fluctuations (business cycles) and explore the roles that consumers, firms, and governments play in the economy. Over the course of the semester we will cover long run growth, aggregate demand and supply, unemployment and wages, inflation, monetary and fiscal policy, as well as applying the tools of analysis to the recent recession. In addition, we will look at the microeconomic underpinnings of some of the theory. In the end you will have the technical tools and knowledge necessary to intelligently read about and discuss current and past macroeconomic events.

Prerequisites

1. ECON 1000 or ECON 2020 or equivalent from another institution
2. ECON 1078 and 1088, or MATH 1300, or MATH 1310, or MATH 1081, or MATH 1080, 1090 and 1100, or APPM 1350, or equivalent from another institution

This course requires basic calculus and algebra tools. It will be assumed that students possess these and there will be no formal math review.

Textbook

Charles I. Jones (2011). *Macroeconomics*, W. W. Norton & Company, 2nd Edition.

The textbook is considered required. Due to time constraints, not all the material can be presented in lecture but may still appear on the exam. Reading the book prior to lecture is a great way to make the learning process easier. The second edition includes new analysis of the recent economic crisis. You can consider using the original edition or the Economic Crisis Update version, but be warned that some chapters we will cover are not included in these prior editions. A copy of the 2nd edition is on Reserve at Norlin Library.

Other short readings will be provided on the course website.

Lectures

Attendance of the first three classes is mandatory or you may be administratively dropped from the course. Beyond this, attendance will not be taken. In some cases lecture will extend beyond the content of the textbook, so it is strongly encouraged you attend lecture. My lecture notes will not be available, so if you do miss a class you should plan on getting notes from a classmate. Lectures are

intended to cover the material from the book as well as connect the concepts to real world examples, providing additional in class practice when appropriate.

Grading Policies

There will be 5 components of your final grade.

Midterm 1	20%	Thursday, October 11 th
Midterm2	20%	Thursday, November 15 th
Midterm3	20%	Thursday, December 20 th , 7:30am-10:00am
Homework	20%	Various Dates; see course schedule
Project	20%	Thursday, October 25 th —Proposal, Thursday, December 7 th —Final Draft

Grading Scale

A	92.00-100.00	C	72.00-77.99
A-	90.00-91.99	C-	70.00-71.99
B+	88.00-89.99	D+	68.00-69.99
B	82.00-87.99	D	62.00-67.99
B-	80.00-81.99	D-	60.00-61.99
C+	78.00-79.99	F	<59.99

Exams

The exams will not be cumulative beyond the cumulative nature of the material. I do not give make-up exams nor do I give exams early. **Any unexcused absence on an exam day will result in a zero for that exam.** If you do have a valid emergency which precludes you from taking the exams on the given date your final score will be recalculated reweighting the other two exams 30%. Please communicate any conflicts with exam dates as soon as possible; you will find instructors are a lot more flexible when you do not wait until the last minute to deal with conflicts. Finally, **no cell phone calculators are permitted for exams.** Please bring a basic calculator or be prepared to do calculations with pen and paper.

Homework

Over the semester there will be 4 problem sets and 2 article analyses. No late assignments will be accepted and **no assignment will be dropped from your grade.**

Article Analyses: Throughout the semester I will post articles on the course website to be read and discussed in class (There will be a total of 8). You will need to choose two of these to write up a one page (single spaced) analysis and submit it on D2L by 3:30 on the due date. Each one will be 2% of your overall grade.

Problem Sets: As we progress through the semester I will post 4 problem sets on D2L. A hard copy is due at the beginning of class on the given date. They are intended to apply the theory and concepts from the textbook and lecture and help prepare you for the exams. I encourage you to work in small groups on these assignments, though I require everyone to turn in their own copy. Each problem set will make up 4% of your overall grade.

Project/Proposal

The final portion of your grade will be an individual/partner paper or proposal. I expect the paper to be 3-5 single spaced pages. The subject matter is up to you, so long as it is macroeconomic related. You may choose to either analyze a current or historical issue in macroeconomics using the tools and models

from class or create a proposal for a research project on a macroeconomic issue. A draft will be due on Thursday, October 25th which will count towards 25% of the overall project grade. Further details will be provided concerning my expectations of the project in the first weeks of class.

Tentative Course Schedule

Due dates and exam dates are firm. Topic coverage is subject to change.

Date	Topic	Book Chapter	Due
Long-Run			
August 27-31	Intro to Macro	Jones 1, 2 & 3	
September 3-7	Aggregate Production	Jones 4	
September 10-14	Solow Growth Model	Jones 5	
September 17-21	Solow Growth Model	Jones 5	
September 24-28	Romer Growth Model	Jones 6	-Problem Set 1, September 25 th
October 1-5	Labor	Jones 7	
October 8-12	Inflation	Jones 8	-Problem Set 2, October 11 th -Exam 1, Thursday Oct. 11 th
Short-Run			
October 15-19	Short Run & IS curve	Jones 9 & 11	
October 22-26	Monetary Policy/ Phillips Curve	Jones 12	-Proposal Due, October 25 th 5:00 pm
October 29-Nov. 2	AS-AD Model	Jones 13	
November 5-9	AS-AD Model	Jones 13	
November 12-16	The Great Recession	Jones 10 & 14	-Problem Set 3, November 15 th -Exam 2, Thursday Nov. 15 th
Micro-Foundations			
November 19-23	Fall Break		No Class
November 26-30	Open Economies	Jones 18 & 19	
December 3-7	Consumption	Jones 15	-Project Due, December 7 th 3:30pm
December 10-14	Government & Investment	Jones 17 & 16	-Problem Set 4, December 13 th
Thursday, Dec. 20 th	Final Exam		-Exam 3, Thursday, 7:30am- 10:00am

Office Hours

These are for your benefit, please take advantage of them. It is an excellent opportunity to get individual or small group help to clarify concepts from class. If my office hours do not work for you due to another class or work, please email me and we can arrange a time to meet.

Email

Please use email wisely. It will be your best option to communicate with me outside of office hours and lecture. I will do my best to respond to emails in a timely fashion, usually less than 24 hours. If your question has to do with clarification, it may be difficult to explain fully over email, so I will suggest coming to office hours. If I feel the entire class could benefit from the clarification, I will do so in lecture. Finally, I will be hesitant to answer emails which ask something administrative which is included on the syllabus, i.e. when is the exam or are any assignments dropped?

University Policies

Students with Disabilities

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Center for Community N200, and <http://www.Colorado.EDU/disabilityservices>.

If you have a temporary medical condition or injury, see guidelines at <http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html>.

Disability Services' letters for students with disabilities indicate legally mandated reasonable accommodations. The syllabus statements and answers to Frequently Asked Questions can be found at <http://www.colorado.edu/disabilityservices>.

Religious Observance Policy

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, if you have a conflict please contact me at the beginning of the term so that we can make proper arrangements. See full details at http://www.colorado.edu/policies/fac_relig.html.

Classroom Behavior Policy

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity, and gender expression, age, disability, 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. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code.

Discrimination and Harassment Policy

The University of Colorado at Boulder Discrimination and Harassment Policy and Procedures, the University of Colorado Sexual Harassment Policy and Procedures, and the University of Colorado Conflict of Interest in Cases of Amorous Relationships Policy apply to all students, staff, and faculty. Any student, staff, or faculty member who believes s/he has been the subject of sexual harassment or discrimination or harassment based upon race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127, or the Office of Student Conduct (OSC) at 303-492-5550. Information about the ODH, the above referenced policies, and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.

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; 303-735-2273). 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/>.