

**ECON 3080-001**  
**Intermediate Macroeconomic Theory**  
**Spring 2008**

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<u>Office Hours</u>	Mon. 3-4 PM, Weds. 1-2 PM
<u>Class Schedule</u>	MWF 2:00-2:50 PM
<u>Classroom</u>	RAMY N1B23
<u>Website</u>	<a href="http://ucsu.colorado.edu/~petersc/Macro_3080.html">http://ucsu.colorado.edu/~petersc/Macro_3080.html</a>

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**Course Overview**

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This course will provide a comprehensive framework for analyzing the behavior of aggregate economies. Topics will include the determinants of output, unemployment, and inflation, an analysis of short-run fluctuations in economic activity, and theories of long-run economic growth.

Throughout our discussion, we will consider the following questions: Why are some countries rich while others remain poor? What causes economic expansion and contraction? What policies, if any, should the government use in combating inflation and unemployment and stimulating growth?

**Required Text**

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Gregory Mankiw, *Macroeconomics*, 6<sup>th</sup> Edition, Worth Publishers.

There is also a companion study guide (*Macroeconomics Study Guide and Workbook, Roger Kaufman*) that gives additional reviews and practice problems. This guide is entirely optional but is a great way to get some extra help.

**Grading**

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Your course grade will consist of two midterm examinations, a final, and three problem sets assigned throughout the semester.

Your grade will be determined as follows:

Midterm 1	25%
Midterm 2	25%
Final	30%
2 Problem Sets	20%

## **Exams and Problem Sets**

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Each exam will be composed of several multiple choice questions and some analytical problems. Midterm exams are not cumulative. The final exam will be held in the regular classroom on **Saturday May 3 from 1:30 – 4:00 PM**. There will be *no* make-up exams.

Problem sets for each chapter will be posted on the course website. I will choose three of these problem sets to be handed in, and I will give you a week's notice to complete them. Although the other problem sets are not required, I highly encourage you to look at them. The problem sets are designed to aid you in preparing for exams, and their format will appear very similar to the exams. Past students who have not studied the problem sets have typically had a hard time doing well in my course. No late homework will be accepted (you're tempted to think I'm kidding here, but I'm not).

## **Students with Disabilities**

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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 may be addressed. Disability Services determines accommodations based on documented disabilities. Contact Willard 322, (303) 492-8671.

## **Other Information**

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This class is subject to the University of Colorado Honor Code. For more information, visit: <http://www.colorado.edu/academics/honorcode>.

## **Tentative Course Outline**

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<b><u>Date</u></b>	<b><u>Chapter</u></b>	<b><u>Topic</u></b>
January 14,16,18 Jan. 23	3	<b>Introduction, National Income</b> <i>(review, loanable funds model)</i>
Jan. 21		<b>No Class – MLK Day</b>
Jan. 25, 28, 30	5	<b>The Open Economy in the Long-Run</b> <i>(small-open economy, exchange rates and the trade balance)</i>
February 1,4,6,8	7	<b>Economic Growth in the Long-Run</b> <i>(determinants of growth, Solow model with population growth)</i>
Feb. 11, 13, 15	8	<b>Economic Growth in the Long-Run</b> <i>(Solow model with technological change)</i>

<u>Date</u>	<u>Chapter</u>	<u>Topic</u>
Feb. 20		<b>Midterm I</b>
Feb. 22, 25, 27	4	<b>Money and Inflation</b> <i>(quantity theory of money, inflation and interest rates)</i>
Feb. 29 March 3, 5	9	<b>Economic Fluctuations</b> <i>(business cycles, stabilization policy)</i>
March 7,10,12,14	10	<b>Aggregate Demand in the Short-Run</b> <i>(Keynesian cross and the IS curve, Theory of Liquidity Preference and the LM curve)</i>
March 17, 19, 21	11	<b>Aggregate Demand in the Short-Run</b> <i>(fiscal and monetary policy and the IS-LM model, AD curve)</i>
March 24-28		<b>No Class - Spring Break</b>
April 2		<b>Midterm II</b>
April 4, 7, 9, 11	13	<b>Aggregate Supply in the Short-Run</b> <i>(AS curve, sticky-wage model, imperfect-information model, sticky-price model, the Phillips curve)</i>
April 14, 16, 18	15	<b>The National Debt</b> <i>(problems in measurement, traditional view of debt vs. Ricardian view)</i>
April 21, 23, 25	16	<b>Consumption</b> <i>(Keynesian consumption function, intertemporal choice, the life-cycle hypothesis, the permanent-income hypothesis, the random-walk hypothesis)</i>
April 28, 30 May 2	12	<b>The Open Economy in the Short-Run</b> <i>(Mundell-Fleming model, floating vs. fixed exchange rates)</i>
May 3		<b>Final Exam</b>