ECON 3080-001 Intermediate Macroeconomic Theory Maymester 2007

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Office Hours	Tues. and Thurs. 12:15-1:15pm, and by appointment
Class Schedule	MTWRF 9:00am-12:15pm
Classroom	ECON 205
Website	http://ucsu.colorado.edu/~petersc/Macro 3080.html

Course Overview

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

Gregory Mankiw, Macroeconomics, 6th 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

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 125%Midterm 225%Final35%

3 Problem Sets 15%

Exams and Problem Sets

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 **Friday June 1 from 9:00am – 12:15pm**. There will be *no* make-up exams—because this is only a 3-week course, there is no room for you to fall behind.

Problem sets for each chapter will be posted on the course website. I will choose three of these problem sets to be handed in. 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

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

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

Date	<u>Chapter</u>	<u>Topic</u>
May 14	3	Introduction, National Income (review, loanable funds model)
May 15	5	The Open Economy in the Long-Run (small-open economy, exchange rates and the trade balance)
May 16	7	Economic Growth in the Long-Run (determinants of growth, Solow model with population growth)
May 17	8	Economic Growth in the Long-Run (Solow model with technological change)
May 18		Midterm I

Tentative Course Outline

<u>Date</u>	<u>Chapter</u>	<u>Topic</u>
May 21	4	Money and Inflation (quantity theory of money, inflation and interest rates)
May 22	9	Economic Fluctuations (business cycles, stabilization policy)
May 23	10	Aggregate Demand in the Short-Run (Keynesian cross and the IS curve, Theory of Liquidity Preference and the LM curve)
May 24	11	Aggregate Demand in the Short-Run (fiscal and monetary policy and the IS-LM model, AD curve)
May 25		Midterm II
May 28		No Class- Memorial Day
May 29	13	Aggregate Supply in the Short-Run (AS curve, sticky-wage model, imperfect- information model, sticky-price model, the Phillips curve)
May 30	15	The National Debt (problems in measurement, traditional view of debt vs. Ricardian view)
May 31	16	Consumption (Keynesian consumption function, intertemporal choice, the life-cycle hypothesis, the permanent-income hypothesis, the random-walk hypothesis)
June 1		Final Exam