

**Economics 3080-200 Intermediate Macroeconomic Theory
Summer 2009-Term B, University of Colorado at Boulder**

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Lecture: MTWRF 12:45-2:20, ECON 119

Course website: We will be using CU Learn to manage the course this semester:

<http://culearn.colorado.edu>.

Office hours: MTWTF 11:30-12:30

Required Text: • **Olivier Blanchard, Macroeconomics 5th Edition (2009), Pearson/Prentice Hall Publishers** – While you do need the book immediately at the start of the class, if you have time I would suggest looking for used/new copies online before buying at the bookstore to compare prices. Also, the best strategy for doing well in class and understanding the material is to read the corresponding textbook chapters before class. I follow the book topics fairly closely but will add a few additional topics as I see fit.

Course Description: Macroeconomics is the study of aggregate economic variables: aggregate output, inflation, unemployment, interest rates, exchange rates, etc. This is in contrast to microeconomics, the study of the economic behavior of individual consumers, firms, and industries. We will primarily study how economists model the relationships between these economic variables and examine how various fiscal and monetary policies can affect the economy. The main goal of this class will be to improve your economic literacy and ability to apply economic models to analyze world events and economic policies. To facilitate this, a portion of the course will focus on reading articles with economic relevance for class discussion.

Prerequisites: Principles of Microeconomics (Econ 2010), Principles of Macroeconomics (Econ 2020), and Mathematics for Economists I and II (Econ 1078/1088 or equivalent). Students should be familiar with the concepts of supply and demand, the basics of fiscal and monetary policy, and have some experience using equations, graphs, and tables to analyze economic situations.

Anyone who has not fulfilled the prerequisites is required to receive my approval in the first two days of the class or risk being administratively dropped from the course. Administrative drops will be used if there are people on the waitlist who have completed the prerequisites. Additionally, a solid background in solving algebraic systems of equations and taking derivatives will be expected.

Administrative Drops: I will take attendance the first three class periods and will be administratively dropping students who do not attend to make room for those students on the waitlist who will. Due to space constraints and university regulations, I cannot admit anyone additional from the waitlist above and beyond the room capacity.

Lectures: In lecture, new material will be presented that will follow topics from the textbook, but may differ in emphasis. *All students are expected to attend lecture regularly.* Besides all the obvious reasons to attend lecture, some exam questions may not be covered in the text but only covered in lecture. In the off chance that you miss a lecture, you should get lecture notes from a fellow student, if they are willing to share. I don't give students my notes as they are only outlines of topics to discuss and will not be of much help to you. Lectures will also include a discussion of assigned articles as well as group discussion of selected assigned problems.

Article Analysis: Over the course of the class we will be analyzing a number of articles related to the material covered. There will be 7 articles. As an incentive to read the articles, 15% of the grade will be determined by preparing a short summary and answering a few articles for a number

of articles. You must do 6 of the 7 articles for full credit. I will give a number of questions to consider for each article. Students will be required write a summary of the articles and answer the presented questions *in paragraph form*, including a *second page* of relevant graphs if necessary. The article analysis must be one full page typed, double spaced, 12 point Times New Roman font, with 1 inch margins to receive credit. The summaries will be credit/half credit/no credit and are *due in class on the day we discuss the article*. **I will not accept e-mailed articles as being present for the discussion is part of the assignment.** Finally, you will be asked to find an article on your own and analyze it using one of the models from class. I will post instructions for this in the first week of class. Each of my articles will be worth 2% each and the one you find will be worth 3% for the total of 15%.

Homework: Included on the syllabus will are a number of problems from the end of the chapters that will help prepare you for the exams. Please prepare your answers to these questions on loose leaf notebook paper. They will be stapled and turned in on the days of the exams. Because the answers to the questions will be posted they will be graded primarily on observed effort. Be sure all problems are clearly labeled, any calculations are easy to follow, and all graphs are easy to read with all curves, axes, and important points labeled. The homework problems will be worth 15% of your total grade. Additionally any starred homework problems will be used in class discussion and it will be expected that you attempt these before they are discussed (typically the second day we cover a chapter). I will instruct you to do these the day before they are to be discussed in class.

Grading: Your grade in the course will be determined by the homework, exams, and article analysis. Exam dates are listed below. The breakdown of grades is as follows: 35% for each of the two exams, 15% for article analysis, and 15% for the homework.

Examinations: There will be two exams will take place during regular class time in the regular class room on the dates listed below. They will be a combination of multiple-choice questions and short answer questions. You'll probably also want to bring a calculator (*no cell phone calculators*). Exam questions will be based on material covered in lecture and the homework. The primary focus will on setting-up economic models, solving them, and analyzing the results. I'll talk more about each exam as the exam date approaches.

Make-ups for any exam are allowed only under extremely compelling circumstances. Under such a compelling circumstance, you are almost always required to make arrangements prior to the exam. Typically a make-up exam will be administered before the exam date. Any make-up exam given after the exams have been returned will be administered as an oral exam. I typically return exams on the following class period.

Additional Expectations: This is an upper division economics course and the level of work required for this class reflects that both in volume and difficulty. It is my experience that students for this course require approximately 2 hours of study outside class per hour of class time. Since we meet for an hour and a half, five times per week, this will amount to approximately 15 hours of work per week outside class. Around exam times this will increase. Be sure you are prepared to handle the workload for this course.

Important Dates:

Class Starts: Tuesday 7/7

Exam 1: Monday 7/13

Exam 2: Friday 8/7

Homework Problems:

Chapter	Problems	Article	Due Date
Introduction			
2	2,3,4,8*		
Short Run: Aggregate Expenditures			
3	2,3,4*,5*	Article 1	7/9
19	7*,8*	Article 2	7/10
Short Run: Interest Rates, Money Demand, IS-LM			
4	2,3,4		
5	2,4,7*,8*	Article 3	7/15
20	2,4,6*		
Medium Run: AS-AD, Phillips Curve			
6	2,3		
7	2,3,7*,8*,9*,11	Article 4 Article 5	7/23 7/24
8	3,4,6*,7*	Article 6	7/29
22	2*,3*		
Long Run: Solow			
10	3,4*		
11	6,7,8	Article 7	8/4
12	4,6,8*		

Course Calendar (July/August):

Monday	Tuesday	Wednesday	Thursday	Friday
	7: Ch1, Ch2	8: Ch 3	9: Ch 3, Ch 19 Article 1 Due	10: Ch 19 Article 2 Due
13: Ch4	14: Ch 5	15: Ch 5 Article 3 Due	16: Ch 20	17: Ch 20
20: Exam 1 Homework Notebook Due	21: Ch 6	22: Ch 6, Ch 7	23: Ch 7 Article 4 Due	24: Ch 7 Article 5 Due
27: Ch 8	28: Ch 8	29: Ch 22 Article 6 Due	30: Ch 10	31: Ch 11
3: Ch 11	4: Ch 12 Article 7 Due	5: Ch 12	6: Review Personal Article Due	7: Exam 2 Homework Notebook Due

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; 303-725-2273). 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/>

Expectations of Classroom Behavior:

Students and faculty each have responsibility for maintaining an appropriate learning environment. Students who fail to adhere to behavioral standards may be subject to discipline. Faculty members have the professional responsibility to treat students with understanding, dignity and respect, to guide classroom discussion and to set reasonable limits on the manner in which students express opinions.

See policies at

<http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code

Absences:

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. Please notify me as soon as possible so that the proper arrangements can be made. Students can see full details at http://www.colorado.edu/policies/fac_relig.html

Disabilities Statement:

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: 303-492-8671, Willard 322, and <http://www.Colorado.EDU/disabilityservices>.

Time extensions for exams must be approved by me prior to the exam. If you have not talked to me personally and provided the appropriate documentation prior to the exam you will not be granted an extension.

Disability Services' letters for students with disabilities indicate legally mandated reasonable accommodations. Other letters/requests you may receive from agencies such as the Wardenburg Student Health Center, or other health providers, such as physicians or counselors, are recommendations you may choose to follow to assist students but are not necessarily legal mandates. The syllabus statements and answers to Frequently Asked Questions can be found at <http://www.colorado.edu/disabilityservices>