

ECO 3302
INTERMEDIATE MACROECONOMICS
SUMMER 2015

Instructor: Punarjit Roychowdhury
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Office Hours: WThF 2.30 - 4.00 and by appointment.

Course Schedule: July 6 - August 4

Class Time and Location: MTuWThF 12.00 - 1.50, 303 Umphrey Lee

Description of the Course: In this course you will develop your comprehension of the working of an economy from an aggregate perspective. We will study models that give us insights to understand such real-world phenomena as inflation, unemployment, booms and recessions, and economic growth. We will analyze the effects of public policy and learn why different schools of thought within macroeconomics provide differing rationales for its use.

Learning Outcomes: You will learn to think like a macroeconomist. By the end of the course, you should be able to analyze macroeconomic phenomena and economic policies and their repercussions. Also, you will be able to define, explain, and analyze economic measures, theories, and models. You will learn to examine and discuss economic policy debates using both short-run and long-run macroeconomic models.

Prerequisite: ECO 1311, ECO 1312; **Recommended:** ECO 3301.

Textbook: *Macroeconomics*, 8th ed., N. Gregory Mankiw (Worth Publishers).

Grading: Grades will be based on attendance, weekly assignments and two exams:

Attendance	10%
Assignments	20%
Midterm	35%
Final	35%

Attendance: Attendance will be taken randomly throughout the semester. Only one unexcused absence will be allowed.

Exams: *The midterm exam will be on Tuesday, July 21 (tentative). The final exam is on Tuesday, August 4. The exams are not (explicitly) cumulative.* No make up exams will be given unless a student asks for it in advance and for *compelling* reasons (providing proper documentation is mandatory in case you want a make up exam). If you miss an exam (unexcused), you will receive a zero. No exceptions! Issues with the grading on an exam must be brought to my attention within two days of the exam being returned.

Lecture Notes: Lecture notes will be posted on the *Blackboard* (courses.smu.edu).

Assignments: Weekly assignments will be posted on the *Blackboard* (courses.smu.edu). You will have to submit your assignments at the beginning of the class the day they are due. *The lowest grade on one assignment will not count.* You are allowed to collaborate on homework but must in all cases turn in your own work. Unless the student has a physician-documented illness or a documented personal tragedy on the due date, submissions received after the due date will *not* be given any credit.

Note that grades are based on a curve at the end of the semester, with the mean typically a C+. I do not allow students to do any additional work for extra credit.

Conduct: Be respectful to me and your classmates. Silence and put away cell phones during class. If you do not wish to pay attention in class, then do not come to class.

How to do well in this course: Read the material before coming to class. Make notes for each subsection you read. In particular, try to write one paragraph where you try to explain to yourself what the section is

about. Attend all classes! Ask questions in class or office hours to solve your doubts. For each model write the equations, assumptions and draw a graph summarizing it. Explain the model to yourself or to one of your classmates. Most importantly, *do all assignments*.

Honor Code: All work undertaken and submitted in this course is governed by the University's Honor code.

Disability Accommodations: Students needing academic accommodations for a disability must first contact Ms. Rebecca Marin, Coordinator, Services for Students with Disabilities (214-768-4557) to verify the disability and establish eligibility for accommodations. They should then schedule an appointment with the professor to make appropriate arrangements. (See University Policy No. 2.4.)

Religious Observance: Religiously observant students wishing to be absent on holidays that require missing class should notify their professors in writing at the beginning of the semester, and should discuss with them, in advance, acceptable ways of making up any work missed because of the absence. (See University Policy No. 1.9.)

Excused Absences for University Extracurricular Activities: Students participating in an officially sanctioned, scheduled University extracurricular activity should be given the opportunity to make up class assignments or other graded assignments missed as a result of their participation. It is the responsibility of the student to make arrangements with the instructor prior to any missed scheduled examination or other missed assignment for making up the work. (University Undergraduate Catalogue)

COURSE OUTLINE (TENTATIVE):

I. Introduction to Macroeconomics

- The Science and Data of Macroeconomics (Chapters 1 & 2)

II. Classical Theory: Long-Run Macroeconomics

- National Income (Chapter 3)
- The Monetary System (Chapter 4)
- Inflation (Chapter 5)
- Introduction to Open Economy Macroeconomics (Chapter 6)
- Unemployment (Chapter 7)

*****Midterm Exam*****

III. Business Cycle Theory: Short-Run Macroeconomics

- Introduction to Economic Fluctuations (Chapter 10)
- Aggregate Demand I: IS-LM Model (Chapter 11)
- Aggregate Demand II: Applications of IS-LM Model (Chapter 12)
- Models of Aggregate Supply & Phillips Curve (Chapter 14)

IV. Advanced Topics

- Advanced topics in Open Economy Macroeconomics (Chapter 13)
- Solow Model (Chapters 8 & 9) [if time permits]

*****Final Exam*****