ECON 4020
INTERMEDIATE MACROECONOMICS

Fall 2016

Instructor:	Ivan Mendieta-Muñoz, Ph.D.	**Time:**	M & W; 13:25 – 14:45
Email:	iim3@kent.ac.uk	**Place:**	BEH S; Room 101

Office: Room 113, Building 72, 332 South 1400 East.
Office Hours: M; 10:00 – 13:00.

Graduate Teaching Assistant: Junfu Zhao
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Course Pages:

- https://sites.google.com/site/ivanmendietamunozpersonalsite/teaching

- http://learn-uu.uen.org

Prerequisites: ECON 2010; ECON 2020; and College Algebra.

This course fulfils "Quantitative Intensive (QI)" General Education and Bachelor Degree Requirement. Students are also expected to be familiar with graphical analysis, basic linear algebra, and basic calculus. I will also use real world data and ask students to interpret macroeconomic time series.

Course Description and Objectives: Macroeconomics is the study of aggregate economic phenomena. Hence, it studies issues relating to unemployment, inflation, stabilization policies in closed and open economies, and the determinants of national output and price levels. This course will provide insights into these key macroeconomic issues, it will examine how to develop models to study the relationships between different aggregate economic variables, and it will discuss both the determinants and the effects of government economic (fiscal and monetary) policies.

At the completion of this course, students:

1. Are expected to have a solid knowledge of why and how economists (and policymakers) often disagree about the nature and mechanisms of business cycles and economic growth, and the appropriate policy responses.

2. Should be able to read, evaluate, and discuss cogently the relevant media accounts.

Learning Outcomes:

1. *Inquiry and Analysis:* Macroeconomics is a contentious discipline. There are competing theories of what causes unemployment, inflation, business cycles, and crises, and the appropriate remedies to these problems. This course will develop a series of analytical macroeconomic models to understand relationships between aggregate economic variables, investigate monetary and fiscal policy implications of alternative theoretical chains of causation, and examine empirical evidence for competing hypotheses.

2. *Critical Thinking:* The emphasis will be on how to set up macroeconomic models and to obtain logical conclusions from them. Students are expected to understand the underlying —and sometimes hidden— assumptions of the models and to learn how to distinguish between competing theories.

3. *Quantitative Literacy:* We will make extensive use of algebraic, numerical, and graphical tools in developing macroeconomic theories. In this sense, students will also develop quantitative skills that will allow then to understand graphical, logical and numerical relationships between macroeconomic variables.

Textbook Reference:

- Blanchard, Olivier. (2017). *Macroeconomics*. Boston: Pearson. 7th Edition.

We will follow the most recent edition (7th); however, the 6th edition can also be used.

Course Requirements: The course will follow the textbook closely. The lectures cover only the key points of each of the chapters, so it is important that you follow closely the reading assignments for each class.

Exams and Grading Policy: The course grade will be based on two exams: one in-class midterm exam and one in-class final exam; and two homework assignments: one before the mid-term exam and the other one before the final exam.

Homework Assignments (20%) + Midterm Exam (40%) + Final Exam (40%)

There will be no make-up exams and late assignments will not get credit except in the cases of: a) medical emergencies; b) officially sanctioned University activities; and c) religious obligations. As indicated in PPM 9-7 Sec 15, the appropriate unit should provide a written statement for the reason of absence. In cases b) and c), students should get in touch with me at least one week before the exam and reschedule the exam. Students will not be assigned extra credit work to improve their grades. Senior class students' work will not be graded differently.

Grading system follows the university standards:

- Excellent, superior performance: A (90-100%), A- (85-89.9%)

- Good performance: B+ (80-84.4%), B (75-79.9%), B- (70-74.9%)

- Standard performance: C+ (65-69.9%), C (60-64.4%), C- (55-59.9%)

- Substandard performance: D+ (50-54.9%), D (45-49.9%), D- (40-44.9%)

- Unsatisfactory performance: E (0-39.9%)

Important dates:

Labor Day Holiday	Monday 5 September
Revision Session (Midterm Exam) #1	Monday 3 October
Homework Assignment #1	Monday 3 October
Midterm Exam	Wednesday 5 October
Fall Break	Sunday 9 October-Sunday 16 October
Revision Session (Final Exam) #2	Wednesday 7 December
Homework Assignment #2	Wednesday 7 December
Final Exam	Monday 12 December

Class Rules:

1. I encourage student cooperation in homework assignments. However, each student must present his or her own assignment. Duplication of the same assignment under different names is not acceptable and is considered cheating. Cheating in homework assignments or exams and other types of academic misconduct will be dealt with in accordance with the University regulations. Full details on procedures and penalties can be found here: http://regulations.utah.edu/academics/6-400.php#SECTION%20V. Punishments can be severe, so don't do it.

2. Come to class in time.

3. Read the assigned material in advance and familiarize with the subject before the lecture.

4. I will use Canvas (very soon) for announcements, homework assignments, posting extra readings, etc. However, Canvas is not a substitute to attending class. It is your responsibility to keep up with the class.

5. Turn off your cell phones and remove them from your desk.

6. Do not believe any of the economics you read in the textbook or elsewhere. Learn it well and critically.

7. Do not believe any of the economics I present in class. Learn it well and critically.

Students with Disabilities: The Department of Economics at the University of Utah, seeks to provide equal access to its programs, services and activities for people with disabilities. If you need accommodations in this class, reasonable prior notice needs to be given to the instructor and to the Center for Disability Services (162 A. Ray Olpin Student Union Building, 581-5020 (V/TDD)) to make arrangements for accommodations (see also http://disability.utah.edu/).

Course Outline: The time schedule is approximate. We may slow down or speed up in accordance with the needs and demands of the class.

1. Introduction: Lectures 1-2

   - Chapters 1-2

2. Aggregate Demand in the Short-run: Lectures 3-7

   - Chapters 3-6

3. The Economy in the Medium-run: Lectures 8-11

   - Chapters 7-9

4. Long-run Growth: Lectures 12-15

   - Chapters 10-13

5. Expectations: Lectures 16-18

   - Chapters 14-16

6. Open Economy Macroeconomics: Lectures 19-22

- Chapters 17-20

7. Macroeconomic Policy Debates: Lectures 23-25

   - Chapters 21-23

8. Post-war Macroeconomics in Historical Perspective: Lecture 26

   - Chapter 24