

ECON 3080-006

Intermediate Macroeconomic Theory

Spring 2016

Syllabus

Lecture: TuTh 3:30 pm - 4:45 pm, HLMS 267

Instructor: Javier Andres Santiago

Office: ECON 307

Office Hours: Wednesdays 8:00 am - 10:00 am

Email: javier.andressantiago@colorado.edu

Course Website

Accessed through D2L (learn.colorado.edu). Check it regularly for handouts, practice questions, grades, etc.

Course Description

Macroeconomics studies the determination of aggregate economic activity in a country or region. Topics such as long-run economic growth, short-run fluctuations, unemployment, or inflation, are at the core of the macroeconomics field.

During this semester we will study those topics, already introduced in your Principles course, from a mathematical perspective, but paying close attention to economic intuitions. We will start by exploring theories of long-run economic activity, including economic growth, the labor market, and the determination of prices. The second part of the course will be devoted to the study of short-run issues. In particular, we will examine how and why the level of economic activity can fluctuate around its long-run trend, and what policy options are available to stabilize the economy. Finally, in the third and last part of the course, we will look at the microfoundations of the macro models developed in the first two parts, as well as some issues concerning the determination of economic activity for open economies (trade deficits, exchange rates, etc.).

This course will serve as a bridge between your Principles classes and more advanced macroeconomics courses such as Economic Growth or International Finance, to name a couple of examples. It will also allow you to intelligently think about and discuss macroeconomic and policy issues like the Great Recession that began in 2008 (still on in some countries) and how governments and central banks can act to stabilize the economy, or why some countries are rich while others are poor (perhaps the most important issue studied by economists).

Prerequisites

Economics prerequisites: ECON 1000 or 2020.

Mathematics prerequisites: ECON 1078 and 1088, or MATH 1300 or MATH 1310 or MATH 1081 or MATH 1080 and 1090 and 1100 or APPM 1350, or equivalent.

The department enforces prerequisites. Students without appropriate prerequisites may be administratively dropped. If you have any concerns about your math/economic preparation for this course, please come and talk to me ASAP and we can discuss whether this class is right for you.

Textbook

Required: Charles I. Jones (2014). Macroeconomics, W. W. Norton & Company, 3rd Edition.

If you already have the 2nd edition, it is fine with me if you decide to use that one. However, the

Grading

Your final grade will be based on 2 midterm examinations and a final examination. Your numerical (0-100) grade will be the result of applying the following weights:

make things more efficient, send me a list of the times you can meet at for the corresponding week and I will do my best to set up an appointment at any of those.

Laptops/electronic devices

Laptops or other electronic devices are not allowed in class. The only things you need to bring to lectures are something to write (pen, pencil) and paper.

Tentative schedule

| Week | Topic | Chapter(s) |
|------|--|------------|
| 1 | Introduction and Math Review | 1-3 |
| 2 | Production and Growth | 3-4 |
| 3 | The Solow Model | 5 |
| 4 | The Romer Model | 6 |
| 5 | Labor | 7 |
| 6 | Inflation | 8 |
| 7 | MIDTERM 1 - Thursday Feb. 25 during class time | 1-8 |
| 8 | Intro to the Short Run | 9 |
| | The IS Curve | 11 |
| 9 | The IS Curve | 11 |

Students with Disabilities