

ECON 304-01: Intermediate Macroeconomic Theory
Spring 2017
TR 12:30-1:50, James Blair Hall 221

CONTACT INFORMATION

Instructor: Sandeep Sharma

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Office: Tyler Hall 430

Office Hours: TR 11:00 am -noon and 2:00 pm - 3:00 pm or by appointment

TEXTBOOK

- (Required) N. Gregory Mankiw, Macroeconomics, 9th Edition, Worth Publishers, 2016. ISBN-13: 978-1464182891

COURSE DESCRIPTION

This course covers the theory of the determination of aggregate output, unemployment, prices, interest rates, inflation, and growth in the short-run and the long-run. We will apply the theory to the U.S. and the world economies and discuss relevant macroeconomic policy issues.

LEARNING OBJECTIVES

Students should be able to achieve the following course objectives:

- Effectively communicate economic concepts and relationships
- Demonstrate an ability to use and solve mathematical models
- Learn to distinguish between long-term trends and short-run business cycles
- Analyze macroeconomic conditions using the IS-LM model and the AD-AS model
- Familiarize with past and current macroeconomic events
- Prepare for higher levels of study in the area of macroeconomics

PREREQUISITES

ECON 102 (Principles of Macroeconomics).

ATTENDANCE

Attendance is not required; however I strongly encourage you to attend class. Some of the topics covered in the lectures may not be covered in the textbook and you will be held responsible to know them for exams. Also, from my experience, students who attend class regularly do much better in the class than students who do not regularly attend lectures. Occasionally, I'll give in-class quizzes in class that will serve as extra-points for the course.

EXAMS

There will be two midterm exams and a comprehensive final exam. Each of the two midterms will count for 20% of your course grade. The cumulative final exam will count for 30% of your course grade. You'll not be allowed to take the final exams early. Exams will consist of multiple choice questions and short answers. Students are responsible for bringing *basic* calculators during an exam. Graphing calculators or cell phones are not permitted during exams.

Thursday, February 23	Midterm Exam
Thursday, April 6	Midterm Exam
Friday, May 5	Comprehensive Final Exam

If you miss the midterm exam and you have a documented excuse from the Dean's office, I will increase the weight of the midterm you take to 35% and final to 45%. Excuses should be documented as far in advance as possible. If you miss an exam without a valid excuse, you will receive a zero and there will be no chance to earn those course points.

Please note that anything discussed in class or any topic in the assigned homework is "fair game" for the exams. There may be material presented in class that is not in your textbook, so make sure that you have a full set of notes from which to study. The exam questions will test your ability to understand and recall basic principles. They will also test your understanding of applications of theories, tools, and models. This means that you must learn to analyze hypothetical and "real world" problems that you encounter for the first time.

HOMEWORKS

A homework will be assigned after every few chapters. In total, there will be 5 homeworks. Each homework will be worth 30 points (150 total), making up 30% of your course grade. The problem sets will consist of multiple choice questions, short answers and data assignments. They will train you to apply macroeconomic tools and concepts in the same way as you will be required for the exams. Late work will *not* be accepted. I encourage you to seek help if you are confused or want further clarification. I also encourage you to practice other questions from the textbook or consult study guides.

GRADING PROCEDURES

The classes will be a mixture of lecture, discussion, and review. The weight of the final exam is higher than the midterm exams to reward students who show improvement during the semester. The grading scheme follows:

Activity	Points	Percent
Homeworks(5@30)	150	30%
Midterm Exam	100	20%
Midterm Exam	100	20%
Final Exam (comprehensive)	150	30%

If you want to appeal any grading, you must contact me no later than one week from the date I post your score. The following table indicates the minimum number of points needed to guarantee a certain grade.

Grade	Minimum Points	Percent
A	465	93
A-	450	90
B+	435	87
B	415	83
B-	400	80
C+	385	77
C	365	73
C-	350	70
D+	335	67
D	315	63
D-	300	60
F	<300	<60

HONOR CODE

The College of William & Mary has had an honor code since at least 1779. Academic integrity is at the heart of the College, and we all are responsible for upholding the ideals of honor and integrity. The student-led honor system is responsible for resolving any suspected violations of the Honor Code, and I will report all suspected instances of academic dishonesty to the honor system. The Student Handbook (www.wm.edu/studenthandbook) includes your responsibilities as a student and the full Code. Your full participation and observance of the Honor Code is expected. To read the Honor Code, see www.wm.edu/honor

ADA ACCOMODATION

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels s/he may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2509 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see www.wm.edu/sas.

ACADEMIC INTEGRITY

All academic work in this course, including homework, quizzes, and exams, is to be your own work, unless otherwise specifically provided. It is your responsibility if you have any doubt to confirm whether or not collaboration is permitted.

Plagiarism is not acceptable. Plagiarism in the form of “deliberate” or “reckless” representation of another’s words, thoughts, or ideas as one’s own without appropriate attribution to the original author in connection with submission of academic work, whether graded or otherwise, is a serious

breach of academic integrity demanded by the Honor Code and one of the most common forms of academic misconduct processed by the honor system.

TENTATIVE COURSE OUTLINE

This is a *tentative* outline. Consequently, this outline is subject to change. Any changes will be announced in class.

Introduction

The Science of Macroeconomics	Chapter 1
The Data of Macroeconomics	Chapter 2

Classical Theory

National Income	Chapter 3
The Monetary System	Chapter 4
Inflation	Chapter 5
The Open Economy	Chapter 6
Unemployment	Chapter 7

Growth Theory

Economic Growth I	Chapter 8
Economic Growth II	Chapter 9

Business Cycle Theory

Introduction to Economic Fluctuation	Chapter 10
Aggregate Demand I - Building the IS-LM Model	Chapter 11
Aggregate Demand II - Applying the IS-LM Model	Chapter 12
Aggregate Supply	Chapter 14

Topics in Macroeconomic Policy

Stabilization Policy	Chapter 18
Govt Debt and Budget Deficit	Chapter 19
The Financial System	Chapter 20

Topics in Macroeconomic Theory

Understanding Consumer Behavior	Chapter 16
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*****Final Exam (Comprehensive), Friday, May 5, 9:00 am -12:00 noon**