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<http://sakai.luc.edu>

Econ 304, sec 102, Intermediate Macroeconomics
Spring 2015 - TuTh 2:30—3:45PM - Corboy Law Center - Room 306

Catalog Description

Prerequisites: Sophomore standing, minimum grade of "C-" in ECON 201 and 202.

This course develops the framework used by economists in government, business and academia to analyze the key determinants of economic growth, the business cycle, unemployment, inflation, the level of interest and exchange rates, as well as explaining how all these variables are influenced by monetary and fiscal policy.

Outcome: The students are able to understand and critically analyze business cycles, financial market fluctuations, and to study inflation and unemployment policies.

Course Overview

This course uses the tools of macroeconomics to study various macroeconomic policy problems in-depth. The problems range from the goods market in the short run, to the labor market in the intermediate run, and exchange rate regimes in the long run. Many economic models used today are surveyed.

Course Objectives and Learning Outcomes

Students will:

- Improve economic literacy and ability to apply economic models to analyze world events
Effectively communicate economic concepts and relationships
- Demonstrate an ability to use and solve mathematical economic models
- Identify the behaviors of important macroeconomic variables
- Learn how to distinguish between long-term trends and short-run business cycles
- Identify and explain fundamental functional relationships of the IS-LM and AS-AD models
- Analyze the impact of changes in major economic variables on output, interest rates, wages, money demand, taxes, and investment

Required Materials

1. *Macroeconomics*, 6th Edition by Olivier Blanchard and David Johnson ISBN: 978-0133061703
2. Problems sets and other course materials are available on <http://sakai.luc.edu>.

Course Requirements and Grading Criteria

Academic Integrity This class will follow the NEIU policy on academic. A score of zero will be given for the entire assignment or exam in which academic dishonesty occurs. Any in-class behavior that directly disrupts the learning of another student is prohibited.

Assessment	Assignments 30%	+ Attendance + 10%	+ Exams + 45%	+ Project + 15%	-> =	Grade 100%
	A 100-93%	B+ 89-87	C+ 79-77	D+ 69-67	F <60	
	A- 92-90	B 86-83	C 76-73	D 66-60		
		B- 82-80	C- 72-70			

Assignments (Max: 30%) Assignments are an important part of the course. New assignments will be posted on Sakai weekly.

Attendance (Max: 10%) If a student is not present when I call their name in class, I deduct 1% from their attendance and participation grade. Each student is allowed up to three class exemptions and may lose a maximum of 10% of their final grade due to attendance.

Exams (Max: 45%) There will be 3 non-cumulative exams worth 15% each for a total of 45% of your final grade. The exam questions will be similar to problems solved in class.

Extra Credit I give extra points to students who distinguish themselves via participation in discussions and offering solutions to in-class problems and team challenges. Each bonus point is 0.1% of your final grade. Bonus points earned via regular participation may increase one's grade by as much as a full letter grade.

Late Work Late assignments will not be accepted.

Project (Max: 15%) A project, making up 15% of the final grade, will be submitted at the end of the semester. Detailed requirements will be posted after the first exam.

Supplements Practice exams and notes will be made available online.

Quinlan School of Business Policies:

Attendance

Class attendance and participation are fundamental components of learning, so punctual attendance at all classes, for the full class meeting period, is expected of Quinlan students. Students are responsible for any assignments or requirements missed during absences.

Academic Integrity

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood...Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of "F" for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website:

<http://luc.edu/media/lucedu/quinlan-graduate/pdfs/Honor-Code-Quinlan-July2012.pdf>

Etiquette

- If you need to come in late or leave early, do so quietly.
- Please treat everyone with respect.
- Participate!
- Ask questions!
- No laptops, no newspapers, no headphones, no cell phones, no text messaging!

Please note

This class may occasionally deviate from the course outline above. I reserve the right to make changes as needed.

<i>Days</i>	<i>Dates</i>	<i>Topics and Events</i>
Tuesday	1/13/15	Chapter 1. A Tour of the World (pages 3-18)
Thursday	1/15/15	
Tuesday	1/20/15	Chapter 2. A Tour of the Book (pages 19-40)
Thursday	1/22/15	
Tuesday	1/27/15	Chapter 3. The Goods Market (pages 43-62)
Thursday	1/29/15	
Tuesday	2/3/15	Chapter 4. Financial Markets (pages 63-84)
Thursday	2/5/15	
Tuesday	2/10/15	Chapter 5. Goods and Financial Markets: The IS–LM Model (pages 85-108) & Exam 1
Thursday	2/12/15	
Tuesday	2/17/15	Chapter 6. The Labor Market (pages 111-132)
Thursday	2/19/15	
Tuesday	2/24/15	Chapter 7. Putting All Markets Together: The AS–AD Model (pages 133-160)
Thursday	2/26/15	
Tuesday	3/3/15	Spring Recess
Thursday	3/5/15	
Tuesday	3/10/15	Chapter 8. The Phillips Curve, the Natural Rate of Unemployment, and Inflation (pages 161-182)
Thursday	3/12/15	
Tuesday	3/17/15	Chapter 9. The Crisis (pages 183-204) & Exam 2
Thursday	3/19/15	
Tuesday	3/24/15	Chapter 18 Openness in Goods and Financial Markets (pages 379-398)
Thursday	3/26/15	
Tuesday	3/31/15	Chapter 19 The Goods Market in an Open Economy (pages 399- 422)
Thursday	4/2/15	
Tuesday	4/7/15	Chapter 20, Output, the Interest Rate, and the Exchange Rate (pages 423-444)
Thursday	4/9/15	
Tuesday	4/14/15	Chapter 21. Exchange Rate Regimes (pages 445-470)
Thursday	4/16/15	
Tuesday	4/21/15	Chapter 23. Fiscal Policy: A Summing Up (pages 493-516) Exam 3 will take place either 4/23 or finals week
Thursday	4/23/15	
Tuesday	4/28/15	Submit Final Project