

# ECON 3213: Intermediate Macroeconomics

Spring 2024

Professor Irasema Alonso

## 1. GENERAL INFORMATION

- The lectures are Tue & Thu 2:40-3:55 in the Math Building, Room 203.
- My office hours are Tue 4:15-5:15pm in the International Affairs Building (IAB), room 1015. You can also schedule an appointment by e-mail.
- My e-mail is  
ia2283@columbia.edu.
- My TAs are:
- Rodrigo Pacheco (email address: rcp2157@columbia.edu)
- Ariana Gamero (email address: aig2139@columbia.edu)
- Yueming Li (email address: yl5446@columbia.edu)
- Sijie Lei (email address: sl5371@columbia.edu)

## 2. COURSE DESCRIPTION:

This is an intermediate macroeconomic theory and policy course. It covers the determinants of national income, economic growth, inflation and unemployment, business cycles, fiscal and monetary policy, the financial system, financial crises, and an introduction to various aspects of the international economy.

## 2. EXAMINATION:

There will be one midterm exam (ME) on March 5th and a final exam (FE). Exams are not cumulative. There will also be problem sets (PS). Weekly problem sets will be posted on Courseworks and should be turned in on Saturdays – a week after they have been assigned. The  $n$  problem sets will help you work with and better understand the course material; they will also resemble exams. The PS score will be the average of the  $n - 3$  best PS grades. The final grade on the course is set according to:

$$25\%PS + 35\%ME + 40\%FE.$$

### 3. READING MATERIAL:

- The course textbook is:  
**MACROECONOMICS** by N. Gregory Mankiw, 11th edition.
- One recommended book about monetary policy is:  
**21st Century Monetary Policy** by Ben Bernanke.
- Two recommended books about the 2007-2009 financial crisis are:  
**The Federal Reserve and the Financial Crisis**, Lectures by Ben S. Bernanke, and  
**After the Music Stopped** by Alan S. Blinder.
- Another recommended book is:  
**Sapiens—A Brief History of Humankind** by Yuval Noah Harari.
- Occasional additional readings (and videos) will be posted on Courseworks.

### 4. ASSIGNMENTS:

- Problem sets and data will be posted on Courseworks. Please submit your homework assignments at the time (or before) they are due through GRADESCOPE. The Gradescope link of the course is [here](#).
- To be able to post answer keys promptly and since the PS score will be the average of the  $n - 3$  best PS grades, late PS submissions will not be allowed.
- Working in groups of a maximum of 5 is highly encouraged. Only **one** student needs to submit the solutions. However, **this student needs to add all the group members to the submission** (See [here](#) on how to add group members to a submission on Gradescope). Write the names of all students you work with in your assignment.

### 5. DATA SOURCES:

- Federal Reserve Bank of Saint Louis: [www.research.stlouisfed.org/fred2/](http://www.research.stlouisfed.org/fred2/)
- Bureau of Economic Analysis: [www.bea.gov](http://www.bea.gov)
- OECD: [www.data.oecd.org](http://www.data.oecd.org)
- International Monetary Fund (IMF): [www.imf.org](http://www.imf.org)

## 6. COURSE OUTLINE:

- **Part I: Introduction** (Jan 16th-Jan 18th)
  - Course organization and Introduction. Readings: Mankiw, Chapter 1, and notes on Graphing: Cause and Effect
  - The Data of Macroeconomics. Readings: Mankiw, Chapter 2
- **Part II: The Economy in the Long Run** (Jan 23rd-Feb 8th)
  - National Income: Where It Comes From and Where It Goes. Readings: Mankiw, Chapter 3
  - The Monetary System. Readings: Mankiw, Chapter 4
  - Inflation. Readings: Mankiw, Chapter 5 (not the Appendix)
  - Unemployment. Readings: Mankiw, Chapter 7
  - The Open Economy. Readings: Mankiw, Chapter 6
- **Part III: Growth Theory** (Feb 13th-Feb 29th)
  - Growth Theory. Readings: Mankiw, Chapter 8
  - The Solow Growth Model. Readings: Mankiw, Chapter 9 (skip 9-4)
- **Part IV: The Economy in the Short Run** (March 7th-April 4th)
  - Economic Fluctuations. Readings: Mankiw, Chapter 10.1 and 10.2
  - Aggregate Demand: The IS-LM Model. Readings: Mankiw, Chapter 11
  - Applications of the IS-LM Model. Readings: Mankiw, Chapter 12
  - Aggregate Supply: The tradeoff between Inflation and Unemployment: Readings: Mankiw, Chapter 14
- **Part V: Economic Policy** (April 9th-April 16th)
  - Stabilization Policy. Readings: Mankiw, Chapter 16
  - Government Debt and Budget Deficit. Readings: Mankiw, Chapter 17
- **Part VI: The Financial System and the Economy** (April 18th-April 25th)
  - Functions of the Financial System. Readings: Mankiw, Chapter 18
  - Financial Crises. Readings: Mankiw, Chapter 18
- **Review Session before midterm:** Feb 29th (Thu)
- **MIDTERM EXAM:** March 5th (Tue)
- **Spring Break:** March 11th-March 15th
- **Review Session:** xxx