Intermediate Macroeconomics

Marcio Santetti

Sample Syllabus

Course Description

The object of Macroeconomics are aggregate economic phenomena. Among these, unemployment, inflation, output determination/growth, fiscal/monetary policies, and international trade issues permeate the course. The class assesses these topics through formal models and discussions based on real-world data. One of the most important aspects of studying Macroeconomics is that, from similar models, each student will be able to interpret its determinants and outcomes in different ways, reinforcing the pluralistic character of Economics.

Course Objectives

By the end of the course, students will be able to:

- Develop a solid knowledge on the aforementioned topics, as well as on the different closures regarding studied models;
- Intuitively understand what macroeconomic models mean, from its key variables to its proposed solutions;
- Think critically about past and current macroeconomic policies, as several applied examples will be shown in class.

Prerequisites

Principles of Macroeconomics and Mathematics for Economists (or equivalents).

References

Required Textbook:

- O. Blanchard (2020). *Macroeconomics*, 8th edition. Pearson.

Additional References:

- N. G. Mankiw (2019). *Macroeconomics*, 10th edition. Worth Publishers.
- D. Foley, T. Michl, and D. Tavani (2019). *Growth and Distribution*, 2nd edition. Cambridge University Press.
- Institutional reports and news articles regarding macroeconomic topics will be made available throughout the semester by the instructor to motivate in-class discussions.

Grading

Assignments (30%) + Participation (10%) + Exams (60%)

Assignments

Problem Sets (5) and Quizzes (10) account for 30% of students' grades. Online quizzes will be made available after we finish a topic, while Problem Sets will ask questions about two topics at a time (roughly 3 weeks of content), as well as a pre-final review set. Quizzes are individual, while collaboration is encouraged for Problem Sets. However, each student must submit her own assignment.

Exams

Two Midterm exams and one Final add up to 60% of students' grades. These will contain mathematical/algebraic problems, where students will be given a model, about which they must extract quantitative and qualitative information. In addition, essay questions are also a fundamental part of the assessment process. From these, students will have the opportunity to provide a deeper understanding of class topics, being able to use words and mathematical expressions to show their understanding.

Class Participation

Class attendance is required, and class participation is a crucial part of class dynamics.

Letter Grade Distribution

- Excellent, superior performance: A (93-100%), A- (90-92.9%)
- Good performance: B+ (87-89.9%), B (83-86.9%), B- (80-82.9%)
- Standard performance: C+ (77-79.9%), C (73-76.9%), C- (70-72.9%)
- Substandard performance: D+ (67-69.9%), D (63-66.9%), D- (60-62.9%)
- Unsatisfactory performance: E (0-59.9%)

Class Policies

You can expect me to:

- Grade and provide feedback on assignments and exams within one week from the due date;
- Reply to emails/messages within 24 hours during the week and within 48 hours on weekends and holidays;
- Hold weekly in person/virtual office hours, where students can join and ask every question and talk about any issues/concerns relative to our class. For virtual cases, links for each meeting will be provided every week.

I expect students to:

- Come to class prepared, by checking out announcements, new content updates, and studying the assigned readings;
- Take the exams on the scheduled dates. No make-up exams will be allowed, except in cases of documented medical emergencies or religious circumstances;
- Respectfully participate in in-class discussions and activities;
- Immediately notify me in the event of an emergency that prevents you from doing an exam or completing the course;
- Ask questions if any expectations or assignments are unclear.

Tentative Course Outline

The course will follow 12 sections, whose readings are detailed below:

1. **Course introduction; Basic macroeconomic concepts**

- *Required Readings*:
  - Blanchard (2020), ch. 2.
- *Recommended Readings*:
  - Mankiw (2019) ch. 1-2.
  - Foley et al. (2019), ch. 1.

2. **The goods market; Aggregate demand: Consumption, investment, government spending**

- *Required Readings*:
  - Blanchard (2020), ch. 3.
- *Recommended Readings*:
  - Mankiw (2019) ch. 3.
  - Foley et al. (2019), ch. 2.

3. **Financial markets: Money demand and interest rates**

- *Required Readings*:
  - Blanchard (2020), ch. 4.
- *Recommended Readings*:
  - Mankiw (2019) ch. 4.

4. **Combining goods and financial markets: The IS-LM model**

- *Required Readings*:
  - Blanchard (2020), ch. 5-6.
- *Recommended Readings*:
  - Mankiw (2019) ch. 11.

5. **The labor market**

- *Required Readings*:
  - Blanchard (2020), ch. 7.
- *Recommended Readings*:
  - Mankiw (2019) ch. 7.
  - Foley et al. (2019), ch. 4.

6. **The Phillips curve**

- *Required Readings*:
  - Blanchard (2020), ch. 8-9.
- *Recommended Readings*:
  - Mankiw (2019) ch. 7.

7. **The long-run**

- *Required Readings*:
  - Blanchard (2020), ch. 10-11.
- *Recommended Readings*:
  - Mankiw (2019) ch. 8.

8. **Technological progress & economic growth I**

- *Required Readings*:
  - Blanchard (2020), ch. 12.
- *Recommended Readings*:
  - Mankiw (2019) ch. 9.
  - Foley et al. (2019), ch. 6.

9. **Technological progress & economic growth II**

- *Required Readings*:
  - Blanchard (2020), ch. 13.
- *Recommended Readings*:
  - Mankiw (2019) ch. 9.
  - Foley et al. (2019), ch. 7-9.

10. **The open economy; The IS-LM-BP model**

- *Required Readings*:
  - Blanchard (2020), ch. 19.
- *Recommended Readings*:
  - Mankiw (2019) ch. 13.

11. **Fiscal policy**

- *Required Readings*:
  - Blanchard (2020), ch. 22.

12. **Monetary policy**

- *Required Readings*:
  - Blanchard (2020), ch. 23.

Space for University Policies and Procedures