

Intermediate Macroeconomics

Econ 301 C Autumn 2020

Instructor: Qiliang Chen ✉: qlchen@uw.edu

Class Meetings: M&W 8:30-10:20am

Office Hours: Th 8:30-10:30am

❖ Course Website in UW Canvas

Overview

This course develops the tools of modern macroeconomic theory in the context of the global economy and explains the determination of aggregate output; of employment and prices; the tools of monetary and fiscal policy used by governments to fight inflation and unemployment and to promote growth in the economy. The purpose of this course is to explain macroeconomic theory and also to use it as a framework for discussing the current state of the US and world economy and for analyzing recent economic policy issues.

Learning Objectives

- Understand the importance of microeconomics as a foundation for macroeconomics
- Understand how aggregate economic activity is measured at the level of a nation
- Understand how basic models of the economy summarize and explain the interactions between these main macroeconomic measures, output, employment, and inflation
- Understand what causes economic activity to fluctuate over the years, from recessions to full employment and back
- Understand the role of government in trying to smooth out these fluctuations
- Understand the differences between adjustment in the short run and adjustment in the long run
- Understand the insights conveyed by the various schools of thought
- Keynesian economics with sticky prices, classical economics with flexible prices, and various syntheses of the two
- Understand how the economy grows in the very long run through capital accumulation and technological progress
- Understand specific concepts like dynamics and expectations

Textbook

“Macroeconomics”, by N. Gregory Mankiw, 10th edition. You can either purchase the loose-leaf + SaplingPlus version (printed copy and e-text) or the SaplingPlus version (e-text only), available from the University Bookstore and/or the publisher’s website for the textbook.

Sapling Learning

Homework and quizzes will be assigned in Sapling Learning. You are given the access to it when you purchase either version of the textbook bundles. Please use a link provided in the course website in Canvas to complete Sapling registration.

Course Outline

Part I

Introductory material (Chapter 1~2)

Part II

Classical theory (Chapter 3~7)

How the economy works in the long run, when prices are flexible

Part III

Growth theory (Chapter 8)

The standard of living and its growth rate over the very long run

Part IV

Business cycle theory (Chapter 10~12, 14)

How the economy works in the short run, when prices are sticky

Time permitting

Select from the following: more on economic growth (Chapter 9), the Mundell-Fleming model (Chapter 13), and introduction to dynamic models of economic fluctuations (Chapter 15).

Assessments

Homework. There will be about TEN weekly assignments due at 11:59pm on Sundays. They will be assigned in Sapling Learning. Each HW assignment is given one week’s time for you to work on it.

Quizzes and Exams. There will be FOUR in-class quizzes. The questions will be assigned and posted in Sapling. There will be a cumulative final exam.

Grading. The grading policy of the Department of Economics sets the upper boundary for the Median grade in principles of economics courses at 3.1. We will maintain a median grade for this course in the 2.8-3.1 range. The following weighting will be applied:

Homework	15%
Quizzes.....	60%
Final.....	25%

Course Schedule

This table gives you an overview of the dates we meet and the topics we plan to cover. It is a rough schedule, and I may announce occasional changes to it if we move through the materials at a different pace than planned. If there are changes, I'll announce them in class or in Canvas.

Week	Date	Lecture	Remark
1	Sep 30	Introduction Chapter 1: The Science of Macroeconomics	
2	Oct 5, 7	Chapter 2: The Data of Macroeconomics Chapter 3: National Income	<i>HW 1 due on Oct 11 and every Sunday evening thereafter</i>
3	Oct 12, 14	Chapter 4: The Monetary System Chapter 5: Inflation	<i>Quiz 1 on Oct 14</i>
4	Oct 19, 21	<i>Cont.</i> Chapter 6: The Open Economy	
5	Oct 26, 28	<i>Cont.</i> Chapter 7: Unemployment and the Labor Market	<i>Quiz 2 on Oct 28</i>
6	Nov 2, 4	<i>Cont.</i> Chapter 8: Economic Growth I	
7	Nov 9 Veterans Day observed	Chapter 10: Introduction to Economic Fluctuations	
8	Nov 16, 18	Chapter 11: Aggregate Demand I	<i>Quiz 3 on Nov 16</i>
9	Nov 23, 25	Chapter 12: Aggregate Demand II	
10	Nov 30, Dec 2	Chapter 14: Aggregate Supply and the Short-Run Tradeoff between Inflation and Unemployment	<i>Quiz 4 on Nov 30</i>
11	Dec 7, 9	TBD	
Finals	Dec 15	No lectures. Office hours to be announced.	<i>Final Exam on Tue, Dec 15</i>

Requirements and Other Information

Attending lectures: I recommend that you attend lectures. Students who regularly miss lectures regularly perform worse on tests, and they make up most of your grade. If you do miss a class, you're responsible for the material you miss and you should get notes from a fellow student.

Lecture notes: Lecture notes will be posted on the Canvas course website regularly.

Reading the textbook: Study shows students typically retain less than half of material presented in lectures, so you should reinforce lecture material by reading the textbook. Read ahead of the lecture if you can. View textbook reading as essential exam preparation.

Homework: No late work. The lowest one will be dropped. There are 2 attempts for each HW question with 5% penalty for each attempt.

Quizzes: Each in-class quiz is 50 minutes. There is only one attempt and no make-up quiz is allowed. Students must turn on video camera.

Final exam: Final exam is 1 hour and 50 minutes long. Students must turn on video camera. Please scan and upload your final exam to Canvas. You also can type your solutions with your computer or write your solutions with your tablet.

Prerequisites: The prerequisite for ECON 301, Intermediate Macroeconomics, is ECON 300 and the prerequisites for ECON 300, Intermediate Microeconomics, are MATH 112 or MATH 124, and both ECON 200 and ECON 201.

Access and Accommodations

Your experience in this class is important to me. It is the policy and practice of the University of Washington to create inclusive and accessible learning environments consistent with federal and state law. If you have already established accommodations with Disability Resources for Students (DRS), please activate your accommodations via myDRS so we can discuss how they will be implemented in this course.

If you have not yet established services through DRS, but have a temporary health condition or permanent disability that requires accommodations (conditions include but not limited to; mental health, attention-related, learning, vision, hearing, physical or health impacts), contact DRS directly to set up an Access Plan. DRS facilitates the interactive process that establishes reasonable accommodations. Contact DRS at disability.uw.edu.

Religious Accommodations

Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at Religious Accommodations Policy (<https://registrar.washington.edu/staffandfaculty/religious-accommodations-policy/>). Accommodations must be requested within the first two weeks of this course using the Religious Accommodations Request form (<https://registrar.washington.edu/students/religious-accommodations-request/>).

Academic Integrity

Academic integrity is the cornerstone of the Department's rules for student conduct and evaluation of student learning. Students accused of academic misconduct will be referred directly to the Office of Community Standards and Student Conduct for disciplinary action pursuant to the Student Conduct Code and, if found guilty, will be subject to sanctions. Sanctions range from a disciplinary warning, to academic probation, to immediate dismissal for the Department and the University, depending on the seriousness of the misconduct. Dismissal can be, and has been, applied even for first offenses. Moreover, a grade of zero can be assigned by the instructor for the course. Behavior that constitutes academic misconduct includes but is not limited to cheating on exams or quizzes (copying answers from others, using unauthorized materials, a student not taking their own quiz/exam, etc.), copying homework answers, plagiarism. You may read more at <http://www.washington.edu/cssc/facultystaff/academic-misconduct/>