

Intermediate Macroeconomics

Econ 301A,
Fall 2020

Instructor: Samin Jalali

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Time: TTH 1:30-3:20 pm

Place: Zoom

Office hours: By appointment

Course Website: <https://canvas.uw.edu/courses/1397134>

Course Overview

Economics is a study of *choices*. Whether it is you choosing which class to take this quarter or a policymaker selecting which monetary policy to implement, our limited resources force us to make choices. In microeconomics, you learned how *individuals* make optimal choices (like consumption and hours of work). Now we will shift our focus to the choices of the *whole economy* (or the “aggregate”).

To that end, we will develop a theoretical framework to explain movements in aggregate economic variables in the short, medium, and long run, in both normal times and times of economic crisis. We start with the set of economic concepts that you learned in your principles courses, and develop them further by making greater use of mathematical models. While these models do not reflect the real economy as it is, they provide useful economic insights for us. As you will also find out over the next ten weeks, there is no one specific model that explains all facets of the economy. Thus, we will introduce different economic models for you to use and compare in the context of current events and policy debates.

Learning Objectives for Econ 301

- 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 purchase a hard copy from UW bookstore or directly purchase the Sapling with e-text through online Sapling Learning. Please use the link from Canvas to connect to the course Sapling.

Sapling Learning Registration

You need to register for Sapling for your homework. Please follow the instruction in this link: <https://macmillan.force.com/macmillanlearning/s/article/Students-Register-for-Sapling-Learning-courses-via-your-school-s-LMS#canvas>

Course Outline

Part I

Introductory material (Chapters 1, 2)

Part II

Classical theory (Chapters 3–7)

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

Part III

Growth theory (Chapters 8)

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

Part IV

Business cycle theory (Chapters 10–12&14)

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

Evaluation

Homework: There will be 10 weekly assignments. The questions will be assigned on Sapling.

Quiz: There will be 4 closed-book quizzes. The questions will be assigned and posted on Sapling.

Exam: There will be a cumulative closed-book final exam.

Project (extra credit): You need to prepare a power point presentation. First, choose a European Union country and present a brief introduction covering geography, demographics and economics history; the evaluation (past five years) and current state of the economy including the main economic indicators (GDP growth, inflation, unemployment rate, public debt and deficit);

the main local industries/companies. Then you have to present the countries challenges and offer one or several alternative policies and suggest solutions looking forward.

How to present your project:

- 1.Schedule a meeting via Zoom (you are alone in your zoom meeting), select **your last name** as meeting topic.
- 2.Record your meeting on cloud.
- 3.Share your screen (on your slides) while you are presenting in Zoom and present your project.
- 4.Stop recording when you are done.
- 5.Share the recorded video with me (an email including a link will be sent by Zoom after your recording). I will post them on Canvas for other students.
- 6.Your presentation should be about 15-20 minutes.

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. If the median grade for the course happens to be outside of 2.8-3.1 range on the preliminary grade scale, we will adjust the grade scale accordingly. The following weighting will be applied:

Homework	35%
Quizzes.....	35%
Final.....	30%
Project (extra credit).....	5%

Course Schedule

We won't have a live class for this course. I will record 5-10 minutes videos for each concept and will post them on Canvas. I won't talk about the announcements in videos. **I will post all announcement on Canvas. Please check it out regularly.**

Course Requirements

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

Reading the textbook: 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 the textbook reading as essential exam preparation.

Homework: The lowest one will be dropped, and there is no make-up for homework. There are 2 attempts for each HW with 5% penalty for each attempt.

Quiz: There will be a short quiz about every other week, all conducted during the regular class time. There is only one attempt and no make-up quiz. Students must turn on their cameras.

Final exam: Students must turn on their cameras. Be aware that the final exam will only be made up in cases of a properly-documented incapacitating illness or a family emergency.

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.

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/>