

## **ECON-301C AUTUMN-2015**

### **INTERMEDIATE MACROECONOMICS**

#### **COURSE DETAILS:**

Class location: Sieg Hall-227  
Class Time: Mondays and Wednesdays, 08:30-10:20  
Course Website: <https://canvas.uw.edu/courses/988343>

#### **INSTRUCTOR CONTACT INFORMATION:**

Instructor: Ibrahim Demir  
Office: Savery Hall 319-H  
E-mail: [idemir@uw.edu](mailto:idemir@uw.edu)  
Office Hours: Mondays and Wednesdays, 11:00-12:00 and by appointment

#### **COURSE AIMS AND OUTCOMES:**

This course's primary objective is to build on the material the students learned in introductory macroeconomics (ECON-201) to explain how output, employment and prices are determined in the short, medium and long-runs and how fiscal and monetary policy can be used to fight against unemployment and inflation created by the short-run fluctuations in the economy and to promote long-run growth. We will spend 7 of our 10 weeks to ensure that this objective is achieved.

After this goal has been obtained, the course will focus in the remaining 3 weeks of the quarter on open economy issues regarding the goods market equilibrium, money market equilibrium, interest rate and exchange rate determination.

#### **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 links between the domestic economy and the rest of the world
- Understand the differences between adjustment in the short run and adjustment in the long run
- Understand the insights conveyed by 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

## **COURSE POLICIES:**

**Required Textbook:** "Macroeconomics" by Olivier Blanchard , published by Pearson/Prentice Hall. You can purchase any edition of the textbook or the Custom Edition for the University of Washington-ISBN: 055831578x (a shorter and cheaper version that only includes the open economy as extensions).

### **Course Requirements:**

**Quizzes:** There will be a total of 3 quizzes. The lowest quiz score will be dropped. The quizzes won't be cumulative.

**Exams:** There will be one midterm and a final. The final will not be cumulative.

### **Grade weights:**

Quizzes	20%
Midterm	35%
Final	35% ( <i>Final date and place: Tuesday, December 15th, 8:30-10:20 at SIG-227</i> )
Problem Sets	10% (There will be a total of 5 problem sets and a problem set will be posted every couple of weeks.)

**Grading:** This class will be curved and the median grade will be no higher than 3.1

**Make-up Exams:** Make-up quizzes, midterm and final exams will be given only under very unusual and unavoidable circumstances. In order to be excused from an exam, you must contact me prior to the exam and be ready to provide me with documentation regarding your excuse after the exam.

**Academic Dishonesty:** Exams are individual work and cheating will not be tolerated. I will not tolerate if you copy answers from another student. The Department of Economics will follow university policy in case of academic dishonesty. These rules are spelled out at:

<https://depts.washington.edu/grading/pdf/AcademicResponsibility.pdf>

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.

### **The EUB (Economics Undergraduate Board) Program:**

The EUB program provides extra educational support for students. The EUB tutors' dates and times are announced on the EUB website: <http://depts.washington.edu/ecnboard/eub-tutoring/>

If you are an international student who needs additional help in writing, EUB also provides a drop-in tutoring service at Savery-328.

## **TENTATIVE COURSE SCHEDULE:**

### **Week-1: September 30-October 2**

Chp-3: Goods Market

### **Week-2: October 5-October 9**

Chp-4: Financial Markets, Chp-5: Goods and Financial Markets: IS-LM Model

### **Week-3: October 12-October 16**

Quiz-I on Monday, October 12th, Chp-5: Goods and Financial Markets: IS-LM Model

### **Week-4: October 19-October 23**

Chp-6: Labor Market

### **Week-5: October 26-October 30**

Chp-7: AD/AS Model, Quiz-II on Wednesday, October 28th

### **Week-6: November 2-November 6**

Chp-8: Phillips curve, the natural rate of unemployment, and inflation

### **Week-7: November 9-November 13**

Midterm on Monday, November 9th at at 8:30 in SIG-227

### **Week-8: November 16-November 20**

Chp-10: The Facts of Growth, Chp-11: Saving, Capital Accumulation and Output

### **Week-9: November 23-November 27**

Chp-18: Openness in Goods and Financial Markets , Chp-19: Goods market in an open economy

### **Week-10: November 30-December 4**

Quiz-III on Monday, November 30th, Chp-20: Output, the interest rate and the exchange rate

### **Week-11: November 7-December 11**

Chp-21: Exchange Rate Regimes

**We won't have class on November 11, Wednesday (Veterans Day).**