

University of Washington - Seattle
Economics 301A: Intermediate Macroeconomics
Spring 2015

Instructor: Orchi Modhurima

Meeting Time: Monday and Wednesday 12.30-2.20 pm, LOW 201

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Office Hours: M and W 2.20-3.20 pm

Textbook: Macroeconomics by Olivier Blanchard and David Johnson, 6th edition or the custom version for UW as given on the website.

Grading: Quizzes and Exams

There will be 3 quizzes in total. The lowest quiz score will be dropped. If you miss any quiz, there will be no make-up quiz, and that quiz will count as your lowest score. Quizzes will be worth 25% of your final grade. In addition to the quizzes, there will also be 3 exams. The weight distribution based on which each student will be graded is. The median will be in between 2.9 and 3.1.

- Quiz – 25% (12.5% each for the highest two quiz scores)
- Three exams –75% (25% each)

I reserve the right to take class participation into account in determining final grades.

Quiz 1- (chapter 4)

Quiz 2- (chapter 7)

Quiz 3 – (chapter 18)

Exam 1- (chapters-3, 4,5,6)

Exam 2- (Chapters 7,9,10,11)

Exam 3- Finals week (chapters 18,19,20)

Make-up Exams:

Except for illness or another serious unexpected happening, there will not be any kind of make-up exams or quizzes. If you are not able to make it to an exam or quiz due to a serious reason, you have to contact me on the same day and explain what happened. In any case you will have to show proper valid documentation as soon as possible after the missed exam/quiz, such as a doctor's note.

Learning Goals

- 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 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

Tentative Readings

Introduction

- Chapter 2: Introduction-1

The Short Run

- Chapter 3: The Goods Market
- Chapter 4: Financial Markets
- Chapter 5: The IS-LM Model

The Medium Run

- Chapter 6: The Labor Market
- Chapter 7: The AS-AD Model
- Chapter 9: The crisis

The Long Run

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

Openness

- Chapter 18: Openness in Goods and Financial Markets
- Chapter 19: The Goods Market in an Open Economy
- Chapter 20: Output, the Interest Rate, and the Exchange Rate

Policy on Academic Conduct

The economics profession depends on the maintenance of high professional and ethical standards among its members. Similarly the Department of Economics expects its students to maintain high standards of academic conduct.

The University of Washington has a Student Conduct Code (WAC 478-120) available at <http://apps.leg.wa.gov/WAC/default.aspx?cite=478-120>

The Department of Economics has a policy on academic misconduct. Academic misconduct includes plagiarism, cheating on examinations or other individual projects or assignments, and the theft or alteration of other persons' work for the purpose of gaining academic credit or of enhancing grades.

Plagiarism

Plagiarism is one of the most widespread and elusive kinds of cheating and is defined in the Academic Responsibility statement mentioned above as:

1. "Using another writer's words without proper citation."
2. "Using another writer's ideas without proper citation."
3. "Citing your source but reproducing the exact words of a printed source without quotation marks."
4. "Borrowing the structure of another author's phrases or sentences without crediting the author from whom it came."
5. "Borrowing all or part of another student's paper or using someone else's outline to write your own paper."
6. "Using a paper writing "service" or having a friend write the paper for you."

Examination rules

I Exam Absence Policy

1. If you are unable to make it to an exam period ***due to illness or another serious unexpected happening***, do the following:
 - i. Contact your instructor **the same day** to notify him/her that you are not able to take the exam and why.
 - ii. If you missed the exam for *health reasons*, you need to show **as soon as possible** to your instructor a valid medical note issued by a medical professional, on the original exam date. The instructor may check with the medical authorities writing the note to ascertain the veracity of your visit. There is no flexibility on this matter. The arrangement for making up the missing credits may vary from instructor to instructor (make-up exam etc.).
 - iii. If there was *some other reason* for missing the exam (car accident, meteor shower etc.) come and see your instructor to explain these reasons – you will need to show proper valid

documentation. Not waking up or missing your bus/plane is **not** an acceptable excuse.

2. If you know that you are going to be away **due to an university related activity** (e.g. sport, debate), let your instructor know well in advance (preferably in the first week of the quarter) so that arrangements for make up can be made upon presentation of proper valid documentation.

II Exam Taking Rules

1. Material allowed during a closed book exam.

- i. All books, papers, notebooks etc. must be placed inside your bag (backpack etc.) and the bag must be securely and fully closed. If you do not have a bag, you must place all your material out of your reach (classroom window sill etc.)

Note that individual instructors may have specific policies (open book exams etc.)

- ii. Only keep writing tools and **basic calculators** (i.e. simple 4-functions calculators). Graphing calculators or calculators with memories will not be allowed. **Sharing of calculators is not permitted.**

- iii. **Cellular phones** must be turned off before entering the class and placed in your closed bag (not in your pocket). You are not allowed to use a cellular phone during an exam. Doing so will result in the termination of your exam time (your exam being taken from you at this point). Likewise **i-pads** or **i-pods** (or similar devices) are not allowed. The use of **personal computers** is not allowed during an exam.

- iv. Baseball caps with visors and any kinds of **headgear** hiding your eyes are not permitted.

2. Attendance and special accommodation

- i. You are expected **not to leave the room** during the exam except in case of emergency. This includes restroom use; be sure to use the restroom before the beginning of the exam.

- ii. If you arrive **late** to an exam, you cannot expect to get extra time after the official end of the exam to make up for the missing time at the beginning.

- iii. If you have a **documented disability**, please show your instructor your documentation from the Office of Disability Resources for Students on the first day of class, so that your instructor can make all the necessary arrangements if you wish to take your exam in a separate place.

3. Academic honesty

i. Exams are individual work and **cheating will not be tolerated**. Students must not glance at their neighbors' exams. Students must not change their answers after they have turned their exam in.

ii. Check the **student handbook** for further information about cheating, plagiarism etc. Cheating of any kind may result in expulsion from the university. The Department of Economics will follow university policy in case of academic dishonesty. These rules complement/supplement the university rules, which are spelled out at

<http://www.washington.edu/uaa/advising/help/academichonesty.php>

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.

The following message is available from UW Human Resources.

UW Safe Campus

Preventing violence is everyone's responsibility. If you're concerned, tell someone.

* Always call 911 if you or others may be in danger.

* Call 206-685-SAFE (7233) to report non-urgent threats of violence and for referrals to UW counseling and/or safety resources. TTY or VP callers, please call through your preferred relay service.

* Don't walk alone. Campus safety guards can walk with you on campus after dark. Call Husky Night Walk 206-685-WALK (9255).

* Stay connected in an emergency with UW Alert. Register your mobile number to receive instant notification of campus emergencies via text and voice messaging. Sign up online at www.washington.edu/alert

For more information visit the Safe Campus website at

www.washington.edu/safecampus