

ECON-301C WINTER-2016

INTERMEDIATE MACROECONOMICS

COURSE DETAILS:

Class location: Smith Hall-105
Class Time: Tuesdays and Thursdays, 08:30-10:20
Course Website: <https://canvas.uw.edu/courses/1021888>

INSTRUCTOR CONTACT INFORMATION:

Instructor: Ibrahim Demir
Office: Savery Hall 319-H
E-mail: idemir@uw.edu
Office Hours: Tuesdays and Thursdays, 12:00-13:00 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, March 15th, 10:30-12:20 at SMI-105</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: January 5th-January 8th

Chp-3: Goods Market

Week-2: January 11th-January 15th

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

Week-3: January 18th-January 22th

Quiz-I on Tuesday, January 19th, Chp-5: Goods and Financial Markets: IS-LM Model

Week-4: January 25th-January 29th

Chp-6: Labor Market, Chp-7: AD/AS Model

Week-5: February 1st-February 5th

Chp-7: AD/AS Model, *Quiz-II on Thursday, February 4th*

Week-6: February 8th-February 12th

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

Week-7: February 15th-February 19th

Midterm on Tuesday, February 16th at 8:30 in SMI-105

Chp-10: The Facts of Growth

Week-8: February 22th-February 26th

Chp-11: Saving, Capital Accumulation and Output

Chp-18: Openness in Goods and Financial Markets

Week-9: February 29th-March 4th

Chp-19: Goods market in an open economy,

Chp-20: Output, the interest rate and the exchange rate

Week-10: March 7th-March 11th

Quiz-III on Tuesday, March 8th, Chp-21: Exchange Rate Regimes