ECON 301: Intermediate Macroeconomics

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OH: TTh 10:30-12  
Savery 319H

Course Materials

Website: https://catalyst.uw.edu/workspace/clarkl/32160/  
Textbook: *Macroeconomics*, Olivier Blanchard (5th edition or newer)

Other good texts (not required – cover mostly the same material):  
- *Macroeconomics: Theories and Policies*, Richard Froyen  
- *Macroeconomics: Policy and Practice*, Frederic Mishkin

Course Prerequisites

ECON 300 (Intermediate Microeconomics), MATH 112 or MATH 124 (Calculus), ECON 200 (Principles of Microeconomics), and ECON 201 (Principles of Macroeconomics). This course builds on material covered in ECON 201. I will occasionally reference material from ECON 300 as well.

Course Description

This course develops a set of tools to help understand and explain the interactions between important macroeconomic measures such as output, employment, and inflation. We will explore causes of economic fluctuations (recessions and expansions) and long run growth. Furthermore, we will discuss various roles that monetary and fiscal policy play in the macroeconomy. Finally, we will be using these tools to analyze the current state of the US and global economies, as well as contemporary economic policy issues.

Along the way, we will gain insights into the determinants of aggregate output, employment, and prices, as well as government tools to affect these variables. As time permits, we will move beyond models of a closed economy and explore how exchange rates and global trade affect macroeconomic equilibria. We will also touch on modern developments in macroeconomic theory, including expectations and what role they play in new-Keynesian and neoclassical theory.
**Grading**

- Homework (25%): You will have weekly homework assignments due every Thursday.
- Exams (75%): There will be three (non-cumulative) exams throughout the quarter – roughly one every three weeks.

**Course Outline**

- The Core Curriculum
  - The Short Run – Business cycles and policy responses (ch. 3-5)
  - The Medium Run – Price levels, inflation, and unemployment (ch. 6-8)
  - The Long Run – Economic growth (ch. 10-13)
  - Open Economy Macro – Trade and exchange rates (ch. 18-21)

- Extensions (as time permits)
  - Expectations – Modern developments in macroeconomic theory (ch. 14 - 17)