University of Washington - Seattle
Economics 301D: Intermediate Macroeconomics
Winter 2014

Instructor: Shamma Alam
Meeting Time: Tuesdays and Thursdays: 12:30-2:20pm.
Email: salam@uw.edu
Office: 319C, Savery Hall
Office Hours: T & Th 3:00-4:00pm.
Textbook: Macroeconomics by Olivier Blanchard and David Johnson, 6th edition

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:

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

The timing of the quizzes and the exams will be decided later on as the class progresses. I reserve the right to take class participation into account in determining final grades.

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

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 8: The Phillips Curve, Unemployment, and Inflation

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
- Chapter 21: Exchange Rate Regimes