Tentative Syllabus for ECON 4020: Intermediate Macroeconomics

Call #s 64-835 and 74-827
Lecture: 9:30-10:45 am in 116 Park and 12:30-1:45 pm in 209 Sanford
Fall 2009
Dr. Harrison C. Hartman

INSTRUCTOR: Dr. Harrison C. Hartman, Ph.D., Penn State University
Lecturer, Department of Economics
The University of Georgia Terry College of Business

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Phone: (706) 542–3667
Office: 516 Brooks Hall

Office Hours: MW 2:45-3:45 pm, T 2:15-3:15 pm
Contact: The best way to contact me is usually via e-mail.

PREREQUISITES: ECON 2105, ECON 2106, AND MATH 2200 or MATH 2250

COURSE DESCRIPTION

Theories aimed at explaining observed levels of national income, unemployment, inflation, interest rates, and exchange rates, with critical evaluations of alternative domestic and international fiscal and monetary policies.

COURSE OBJECTIVES

The class focuses on the workings of the aggregate national economy, with particular attention given to the determinants of national income. Many of the topics covered in Macroeconomic Principles are studied in more depth. Important topics include unemployment, inflation, interest rates and exchange rates. Domestic and international fiscal and monetary policies are also discussed.

This course will improve students’ understanding of the performance of the U.S. economy and other economies. As an intermediate macroeconomics course, it will provide a bridge between introductory macroeconomics and advanced macroeconomics for students who continue formal study in the discipline. All students will improve their (1) understanding of causes of economic fluctuations (in other words, causes of decreases in the growth rate of GDP and increases in the rate of inflation) and probable outcomes of fiscal and monetary policies implemented to counter fluctuations, (2) analytical skills, and (3) quantitative skills. Topics will include the Keynesian cross diagram, schools of macroeconomic thought, the Phillips Curve, the IS-LM model, and the neoclassical growth model.
COURSE TOPICS OUTLINE  (See Reading List for Tentative Order)

Introduction to Macroeconomics
Concepts and Measurements of Macroeconomic Activity
Classical Analysis
Goods Market
Asset Market and Investment
Aggregate Demand and IS-LM Analysis
Aggregate Supply
Money Demand and Money Supply
Unemployment and Inflation
Fiscal Policy
Rational Expectations and New Classical Analysis
New Keynesian Economics
Real Business Cycles

UNIVERSITY HONOR CODE & ACADEMIC HONESTY POLICY

As a University of Georgia student, you have agreed to abide by the University’s academic honesty policy, “A Culture of Honesty,” and the Student Honor Code. All academic work must meet the standards described in “A Culture of Honesty” found at: www.uga.edu/honesty. Lack of knowledge of the academic honesty policy is not a reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.

In this course, all exam work must be your own. You will be permitted to work with other students on homework assignments. However, you must turn in your own “write up” of an assignment to receive credit. Make an effort to put the homework “in your own words” if you work with others on homework. Both the University Honor Code and Academic Honesty Policy apply.

CHANGES TO THE SYLLABUS

The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

REQUIRED COURSE MATERIAL


Course Web Page: I will place note guides and practice multiple choice questions in a course web page in eLC.

E-Mail Announcement List: I plan to form a class listserv for announcements.
Students are responsible to check for any announcements, note guides or sample questions made via e-mail or the course web page. The instructor strongly encourages students to read and/or print materials before class. (Most announcements will also be made in class.) Please make sure that you have access to the course web page and the e-mail announcement list. For appointment requests and questions, please use e-mail when possible. Also, please make sure that your e-mail address is added to the class e-mail list when it is made. Please do **not** send attachments with your e-mail messages.

**ASSIGNMENTS**

Refer to the tentative schedule below for an approximation of when we will cover specific topics in class.

**COURSE REQUIREMENTS**

We will have three mid-term exams and a final exam. The exams will probably consist largely of multiple choice questions including “Which of the following statements is true” types of questions. We will also have four homework assignments. I will count your two best homework scores out of four when calculating course averages. A homework assignment will be due soon before each exam.

Note that I plan to keep question sheets and exam sheets for at least one year. Please schedule an appointment to review your exams if you have any questions.

**GRADING POLICY**

Below are the relative weights for calculating course averages.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best Mid-Term Exam</td>
<td>30 %</td>
</tr>
<tr>
<td>Second-Best Mid-Term Exam</td>
<td>30 %</td>
</tr>
<tr>
<td>Final Exam</td>
<td>30 %</td>
</tr>
<tr>
<td>Best Homework</td>
<td>5 %</td>
</tr>
<tr>
<td>Second-Best Homework</td>
<td>5%</td>
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</tbody>
</table>

I plan to use the plus/minus system. Letter grades for this course will **tentatively** be based on the following cutoffs:

- **A** = 93.00–100%
- **A-** = 90.00-92.99%
- **B+** = 87.00-89.99 %
- **B** = 83.00-86.99 %
- **B-** = 80.00-82.99%
- **C+** = 77.00-79.99%
- **C** = 73.00-76.99%
• C- = 70.00-72.99%
• D = 60.00-69.99%
• F = 0.00-59.99%

However, the instructor reserves the right to change the letter grade cutoffs.

MAKE-UP POLICY FOR MISSED EXAMS AND QUIZZES

Mid-Term Exams

Because I will not count the lowest mid-term score toward your final course average, students will not be able to take make-up mid-term exams after the regularly scheduled time unless they miss more than one mid-term, regardless of the reason for missing the exam. Even in extreme circumstances beyond the control of the student including but not limited to hospitalization and transportation problems, no late make-ups will be considered for mid-terms unless a student has missed two or more mid-terms. To clarify, a student is not allowed to make up the first missed mid-term and can make up a maximum of two mid-terms if the student misses all three mid-terms. A student who misses two mid-terms may make up only the most recently missed mid-term.

If a student misses more than one mid-term exam, it is the responsibility of the student to notify the instructor, provide sufficient documentation, and schedule a make-up if excused as soon as possible. I cannot guarantee excused students’ preferred choices for make-up times. If the instructor grants a late make-up to a student who missed more than one exam, the instructor reserves the right to limit the period for make-ups to one day. Approval to take a make-up exam does not imply that no penalty will be applied to the exam score or the final course grade. Given that I will not count your lowest mid-term score, there will be no make-ups for the first mid-term. Further, in light of the “score drop” policy, I reserve the right either to penalize the exam score or reduce the final course grade of each student who fails to complete more than one exam on time without sufficient documentation. Please contact me if you have any questions. I may allow students to take mid-terms early if I have sufficient notice. Students who must miss an exam because their presence is required at work must give the instructor a letter written and signed by their employer and printed on the employer’s letter-head, stating that the student’s presence at work is essential. However, I will not consider granting a make-up exam for a student who misses an exam due to her/his presence being required at work unless the student has missed two or more mid-term exams.

Final Exam

Due in part to seating limits, I may need to require each student to take the final exam during the time scheduled for his/her section. If a student misses the final exam for any reason, I will tentatively assign a score of zero points for the exam. Students who miss the final exam may request to schedule a make-up final exam. In order to receive approval for a make-up, a student requesting a make-up final must provide documentation which explains why that student was not able to take the final exam when scheduled. As the instructor, I reserve the right either to deny a student the opportunity to take a make-up final exam or to allow a student the opportunity to take a make-up exam. However, please note that approval to take a make-up final exam does not imply that I will not assess a penalty either to the student’s final exam score or the student’s course grade. I reserve the right to limit the make-up period for final exams to one day. I may allow students to take the final exam early if I have sufficient notice.
**Homeworks**

All homework assignments will be due during lecture unless notified otherwise. If you submit a late or early assignment, place it in the instructor’s mailbox in the North Reception Area of the Fifth Floor of Brooks Hall or hand it directly to the instructor. Do not slip it under the instructor’s office door. Do not send attachments with e-mail messages. Given that I will count only a student’s two best homework score (out of four), the instructor reserves the right to assess a penalty (including a score of zero) for assignments submitted after the time they are due and assignments not received.

**ATTENDANCE POLICY**

I strongly encourage students to attend all lectures. I plan to cover some material not in the textbook or on note guides. The best way to get this material is by attending class. Students who attend class will likely have less difficulty preparing for quizzes and exams.

Also, please contact me if you are unable to attend a class function for religious reasons. I would be glad to help you make up any work missed.

**CLASS WITHDRAWAL PROCESS**

The drop deadline for undergraduate classes is Thursday, August 20. If you wish to withdraw from this course after the drop/add period, you must follow University procedures. I must assign a grade for your performance if your name is on the roster. Ceasing to attend class or oral notice thereof does not constitute official withdrawal and will result in the grade of “F.” The last day for withdrawing is Thursday, October 22. I cannot assign a grade for your performance if your name is not on the roster.

Enrollment status is the responsibility of the student. Please contact me if you have any questions about your status.

**CLASS CANCELLATION**

In the event that I would need to cancel a class meeting due to an emergency (i.e. inclement weather), I will phone the department if possible. Further, I will try to notify each student by e-mail in the event of a cancellation.
**TENTATIVE Schedule for ECON 4020 Fall 2009 (64-835 and 74-827)**

<table>
<thead>
<tr>
<th>Dates</th>
<th>Chapters and Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/18</td>
<td>1 Introduction</td>
</tr>
<tr>
<td>8/20, 8/25, 8/27</td>
<td>2 National Income Accounting</td>
</tr>
<tr>
<td>9/1, 9/3, 9/8</td>
<td>9 Income and Spending (Keynesian cross)</td>
</tr>
<tr>
<td>9/10</td>
<td>Wrap-up and Review</td>
</tr>
<tr>
<td><strong>Tuesday, September 15</strong></td>
<td><strong>MID-TERM EXAM #1</strong></td>
</tr>
<tr>
<td>9/17, 9/22</td>
<td>5 AS, AD, and Schools of Macro Thought</td>
</tr>
<tr>
<td>9/24, 9/29</td>
<td>7 Understanding Inflation and Unemployment</td>
</tr>
<tr>
<td>10/1, 10/6, 10/8</td>
<td>6 The Phillips Curve and Wage Adjustments</td>
</tr>
<tr>
<td>10/13</td>
<td>Wrap-up and Review</td>
</tr>
<tr>
<td><strong>Thursday October 15</strong></td>
<td><strong>MID-TERM EXAM #2</strong></td>
</tr>
<tr>
<td>10/20, 10/22, 10/27</td>
<td>8 and 17 Policy</td>
</tr>
<tr>
<td>10/29 and</td>
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</tr>
<tr>
<td>11/3</td>
<td>10 Money, Interest, and Income (IS-LM model)</td>
</tr>
<tr>
<td>11/5</td>
<td>12 Open Economy IS-LM model</td>
</tr>
<tr>
<td>11/10</td>
<td>Wrap-up and Review</td>
</tr>
<tr>
<td><strong>Thursday, November 12</strong></td>
<td><strong>MID-TERM EXAM #3</strong></td>
</tr>
<tr>
<td>11/17</td>
<td>12 More on the Open-Economy IS-LM Model</td>
</tr>
<tr>
<td>11/19</td>
<td>3, 4 Neoclassical Growth Theory and Policy</td>
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</tbody>
</table>

**NOVEMBER 23 THROUGH NOVEMBER 27 THANKSGIVING BREAK, NO LECTURE**

<table>
<thead>
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<tr>
<td>12/1</td>
<td>3, 4 More on Neoclassical Growth Theory and Policy</td>
</tr>
</tbody>
</table>
Wrap-up and Review

TUESDAY, DECEMBER 8 NO LECTURE MEET ON FRIDAY SCHEDULE

WEDNESDAY, DECEMBER 9 READING DAY

FINAL EXAM  TUESDAY, DECEMBER 15

  9:30 am section 8:00-11:00 am in 116 Park

  12:30 pm section 12:00-3:00 pm in 209 Sanford