

AMERICAN UNIVERSITY  
Intermediate Macroeconomics  
ECON 301.001

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**Semester:** Fall 2018  
**Time:** M & Th, 8:10 am-9:25 am  
**Place:** Watkins 102

**Instructor:** Ignacio González  
**Email:** [ignaciog@american.edu](mailto:ignaciog@american.edu)  
**Office:** Kreeger 123  
**Office Hours:** Monday 10.15-12:15  
(or by appointment)

**TA:** Vasudeva Ramaswamy  
**Email:** [vr1849a@american.edu](mailto:vr1849a@american.edu)  
**Office:** Kreeger G02  
**Office Hours:** Monday 12:00 - 13:00  
**TA session** 14:00 - 15:00 (Only on  
days when HWs are due.  
Venue TBD)

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**Course Description and Objectives:** This is an intermediate college-level macro course that focuses on the principles that apply to an economic system as a whole. We will learn how macroeconomists use models and analyze real-world data to understand why economies grow (long-run macroeconomics) and why economies fluctuate (short-run macroeconomics). We will learn how production, employment, prices and interest rates are determined, and what type of stabilization policies, fiscal or monetary, can improve economic performance. By the end of this course, you should be able to present a well-reasoned view of major macroeconomic events, such as the Great Recession in the U.S. or the Eurozone crisis, and formulate a motivated opinion on the fiscal and monetary responses associated to those events. You will also learn how to analyze graphs and data and to use mathematical reasoning to explain macroeconomic phenomena.

**Prerequisites:** ECON-100 (Principles of Macro) and ECON 200 (Principles of Micro).

**Course website:** Check Blackboard at least once every 3 days. Relevant course material will be posted there: <http://blackboard.american.edu>. Lecture slides will be posted after each session.

**Required Reading:**

- The required textbook is *Macroeconomics* by Charles I. Jones, 4th edition, W.W. Norton & Company. See the course outline for required chapters by topic. You can also use the 2nd or the 3rd edition but check my slides in case there is something that those editions do not cover.
- You must also check Blackboard for additional readings per topic (compulsory when indicated).

**Class Policy:**

- Class attendance is required. Excused absences include major religious holidays (posted annually by the Office of Provost and Kay Spiritual Life Center), medical or mental health events, and athletic team events.
- You are responsible for making up all work missed as a result of absences by the end of the term. If you cannot complete the work by the end of the term, you may receive an incomplete grade, but only at my discretion.

- Be aware that exams may contain questions that are covered in the class and are not available in the textbook and/or readings.

### Grading Policy:

- Midterm exam 1 (20%), Midterm exam 2 (20%), Home Assignments (15%) Final exam (40%), Class Participation (5%)
- Grades will be based on the performance of the class as a whole. No fixed conversion from numeric scores to letter grades (I expect the average to be a B).

### Exams:

- All the exams are closed book. The first midterm exam will tentatively cover chapters 2-8. The second midterm exam will tentatively cover chapters 9-13. The final exam will be cumulative and will cover the entire course material.
- Make-up exams are only offered in case of a documented medical or family emergency, or in cases of absences due to religious holydays. Unexcused absences from exams will result in a zero score in the calculation of the final grade.

**Home assignments:** I will post home assignments, roughly one every two weeks. Assignments will not be accepted after the indicated deadline (no exceptions will be made, apart from documented medical or family emergencies). Assignments are graded and are also an important part of your preparation for the exams. Students are encouraged to work in groups to solve them. However, each student must hand in his own independently written answers to our TA (hard copy during the TA session or via email before the TA session). There will be an one-hour TA session devoted to each assignment. Attendance to TA sessions is not compulsory but it is highly recommendable.

**Participation:** Class participation is a very important part of the learning process in this course. While your participation grade is subjective, it will not be random or arbitrary. You will be evaluated on the quantity and quality of your contributions and insights. Participation will be particularly assessed during the discussion of compulsory readings, where comments should demonstrate reflective thinking. Importantly, I will also use the assessment of your participation to manage borderline grades.

### Important Dates:

First day of class .....	August 27, 2018
No class (Labor Day) .....	September 3, 2018
Midterm Exam 1 .....	October 11, 2018
Midterm Exam 2 .....	November 15, 2018
No class (Thanksgiving) .....	November 22, 2018
Final Exam .....	December 10, 2018

**Course Outline:**

■ Introduction to Macroeconomics.

*Chapter 1*

*Aug 27*

■ Measuring the Macroeconomy: Macroeconomic Aggregates, Prices and Growth Rates.

*Chapters 2 and 3*

*Aug 30 and Sep 6*

■ National Income Determination: A Model of Production.

*Chapter 4*

*Sep 10 and 13*

■ The Solow Growth Model and beyond.

*Chapter 5 and 6*

*Sep 17, 20 and 24*

■ The Labor Market.

*Chapter 7*

*Sep 27 and Oct 1*

■ Money and Inflation.

*Chapter 8.*

*Oct 4 and 8*

■ Midterm exam 1.

*Oct 11*

■ The Short Run: The IS curve

*Chapter 9 and 11*

*Oct 15 and 18*

■ The Short Run: Monetary Policy, the IS-MP Diagram and the Philips Curve

*Chapter 12*

*Oct 22, 25 and 29*

■ Stabilization Policy and the AS/AD Framework

*Chapter 13*

*Nov 1, 5 and 8*

■ The Great Recession

*Chapter 10 and Chapter 14*

*Nov 12*

■ Midterm exam 2.

*Nov 15*

■ The Great Recession (cont.)

*Chapter 10 and Chapter 14*

*Nov 19*

■ Microfoundations: Consumption

*Chapter 16*

*Nov 26*

**Microfoundations: Investment***Chapter 17**Nov 29 and Dec 3***The Government and the Macroeconomy***Chapter 18**Dec 6***Final exam.***Dec 10***Academic Integrity:**

- Students must comply with the Academic Integrity Code available at <http://www.american.edu/academics/integrity/code.cfm>.
- You should read it carefully, particularly section II.A (definition of academic integrity violations, including plagiarism and dishonesty in examinations) and section III.C (sanctions).

**Academic Support:**

- All students may take advantage of the [Academic Support and Access Center \(ASAC\)](#) for individual academic skills, counseling, workshops, tutoring and writing assistance, as well as Supplemental Instruction.
- Students who wish to request accommodations for a disability, must notify me with a letter of approved accommodations from the ASAC. As the process for registering and requesting accommodations can take some time, and as accommodations, if approved, are not retroactive, I strongly encourage students to contact the ASAC as early as possible. For more information about the process for registering and requesting disability-related accommodations, contact ASAC.

**Technology in the classroom:** The use of laptops and tablets is allowed, but NOT the use of cell phones. Laptops and tablets can be used ONLY for educational purposes (i.e. to take notes). Note that the use of electronics for other purposes is highly disruptive to the instructor and other students, and distracts from course discussions (numerous experimental studies have shown that the misuse of personal technology is causally related to poor performance in courses). Failure to abide by this policy may result in permanent dismissal and/or disenrollment from the course. This policy also applies to TA sessions.