

University of Hawaii
Department of Economics
ECON 300 (001): Intermediate Macroeconomics
Fall 2009
TR 12:00pm-1:15pm
POST Building 126

Instructor: Hui He

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Office Hours: 1:30pm-3:00pm, Thursday

Course Website: <http://www2.hawaii.edu/~huihe/indexteaching.htm>

Course Description and Learning Objectives

The goal of this course is to introduce macroeconomics using formal language. We will first introduce the *macro variables* such as income, employment, and price level and show how to measure them. We will then study specific *theoretical models*, which help to explain how the output, employment and price level are determined at any point in time. We start from the simple abstract static model, extend to include more sectors and dynamic setting. *General equilibrium approach* will be used to analyze the effects of monetary and fiscal policies. We will cover some applications of theory, especially as relevant to current macroeconomic issues.

This course aims to help students to understand and apply economic concepts and theories in a clear and effective manner. It will also provide students with quantitative skills by working with macroeconomic data to test and interpret the implications of the models covered in class. The skills developed in this course will also be essential for the study of higher level courses, such as Economic Development and Growth, International Trade, Monetary Economics, and others.

Textbook

Required Textbook: *Macroeconomics*, 3rd edition, by Stephen D. Williamson.

Course Requirements

Homework Assignments

There will be five homework assignments. They will be posted on my website during the semester. Homework assignments must be submitted at the beginning of the lecture on the due date. Late submissions will not be accepted at all. You must turn in your own work for homework assignments although you can work together. Identical (or essentially similar) assignments will all receive a grade of zero.

Exams

There will be a midterm exam and a final exam for this class. Midterm Exam is tentatively scheduled for October 20 (Tuesday) in class. The final exam's schedule is December 15, 12:00pm-2:00pm, at POST 126. Exams will cover materials from lectures, homework assignments and the textbook. Exams are not cumulative.

Grading Policy

	<u>Percentage of Final Grade</u>
Homework Assignments	30%
Midterm Exam	30%
Final Exam	40%

Grading Scale

Percentage	Grade
92-100	A
90-91	A-
88-89	B+
82-87	B
80-81	B-
78-79	C+
72-77	C
70-71	C-
68-69	D+
60-67	D
0-59	F

*I reserve the right to change these cut-off points.

Tentative Agenda:

Week 1: Introduction to Macroeconomics. Chapter 1.

Week 2-3: Measurement of macro variables and business cycle indicators. Homework #1 handed out. Chapter 2-3.

Week 4: Consumer and firm behavior: one-period model. Chapter 4. Homework #1 due.

Week 5: A closed-economy one period competitive equilibrium model. Chapter 5. Homework #2 handed out.

Week 6-7: Economic growth and the income disparity across countries. Chapter 6-7. Homework #2 due.

Week 8-9: A two-period model of consumption-savings decision. Chapter 8. Homework #3 handed out.

Week 9-10: A real intertemporal model with investment. Chapter 9. Midterm on October 20.

Week 11-12: Introducing money into the intertemporal model. Chapter 10. Homework #3 due.

Week 13: Market-clearing Business Cycle model. Chapter 11. Homework #4 handed out.

Week 14: Unemployment Theory. Chapter 16. Homework #5 handed out.

Week 15: Floating and final review. Homework #5 due.

Final Exam on Dec. 15.