

Economics 300A – Spring 2005 - Preliminary Intermediate Macroeconomics

Course website: <http://www2.hawaii.edu/~noy/300A.html>

MWF 12:30-1:20 (TBA)

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Office hours: Monday and Wednesday 10:30-12:00pm, or by appointment.

Email is by far the best way to contact me for appointments, emergencies, questions, or clarifications.

Course Description

This is an honors course. Honor students have priority in enrollment but the class is open to all students who completed the pre-required courses. The class is an in-depth exploration of how macroeconomic models help us explain and predict the behavior of the aggregate economy in the short and long run. It is constructed of five modules. We begin by examining measures of the macro-economy and their determination in the short-run (when prices do not change). We study the Keynesian IS-LM model and show how the market for goods and services interacts with the money market to jointly determine output and interest rates. We follow that with study of the labor market, its connections with the goods and money markets and the determination of output and inflation in the medium run (the AS-AD model). We then extend these models to look at open economies (countries that trade with the rest of the world). Following the neoclassical approach, we then examine and critique the long-run Solow Growth Model (SGM). We finish with a closer examination of the practice of monetary and fiscal policy.

Textbook: *Macroeconomics*, by Olivier Blanchard. Prentice Hall, 3rd edition

Grading

Exam I (modules I-II)	30%
Exam II (modules III-IV)	30%
Writing Assignments	25%
Problem sets (modules I-IV)	8%
Attendance and participation	7%

Grades awarded will include +/- notation

Exams

Exams will cover material from lectures, problem sets, writing assignments and the textbook. Exams are not cumulative.

Exam I: TBA

Exam II: TBA

Problem Sets

There will be two problem sets. Problem sets have to be handed in not later than the *beginning* of lecture the day they are due. No late problem sets will be accepted. An answer key will be posted on the web for each problem set after its due date.

Problem sets will be due on Friday. Due dates will be announced in class and online.

Schedule of Readings in Blanchard:

Precise reading assignments will be announced ahead of time in class and online:

	<u>Chapters</u>	
Module I:	1-2	Introduction to (closed) macroeconomics
	3-5	The Short Run: The IS-LM model
Module II:	6-7	The Medium Run: The AS-AD model (1 st problem set)
Exam I		
Module III:	18	Introduction to (open) macroeconomics
	19-21	The Short Run: The IS-LM-IP model
Module IV:	10-12	The Long Run: The Solow model (2 nd problem set)
Exam II		
Module V (optional):	25-26	Fiscal and monetary policy
	24	Policy in a political world

Extra Readings

Extra readings will be assigned occasionally and will be discussed in class. The class website contains other readings that are divided by subject (according to the course's modules). You will be given writing assignments that will discuss these readings.

Disability Needs

If you feel you need reasonable accommodations because of the impact of a disability, please, (1) contact the KOKUA program at 956-7511 or 956-7612 (rm. 013 at QLCSS) and (2) discuss with me any specific needs related to your documented disability.

Suggestions

Make use of my office hours. I will always respond to emails containing specific questions about the material discussed or the problem sets. You will receive practice exams before both exams and should use those as your primary study-guides.