Economics 300 – Spring 2004
Intermediate Macroeconomics
Course website: http://www2.hawaii.edu/~noy

MWF 11:30-12:20 (Webster 113)

Ilan Noy - pronounced ee-lan
Saunders Hall 516
noy@hawaii.edu
Tel: (808) 956-7749
Fax: (808) 956-4347
Office hours: Monday 3:00-4:30pm, Wednesday 1:00-2:30pm, or by appointment.

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

Course Description
This 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. 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 market for bonds and money balances 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). Following the neoclassical approach, we then examine and critique the long-run Solow Growth Model.

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

Grading
Final 30%
Midterm 30%
Problem sets 32% (8% each)
Attendance and participation 8%

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

MIDTERM: in class Friday, February 27th
FINAL EXAM: See schedule of classes
Problem Sets
Problem sets have to be handed in not later than the \textit{beginning} of lecture the day they are due. No late problem sets will be accepted but for \textit{very unusual} circumstances (and only once). An answer key will be posted on the web for each problem set after its due date.

\textit{Problem sets will be due on Fridays. Due dates will be announced in class and online.}

Tentative Schedule of Readings in Blanchard:
\textit{Precise reading assignments will be announced ahead of time in class and online:}

\textbf{Chapters}
\begin{itemize}
  \item 1-2 \ Introduction to (closed) macroeconomics
  \item 3-5 \ The Short Run: The IS-LM Model
  \item 6-7 \ The Medium Run: The AS-AD Model
  \item 18 \ Introduction to (open) macroeconomics
  \item 19-21 \ The open-economy IS-LM-IP model
  \item 10-12 \ The Long Run: The Solow Growth Model
  \item 25-26 \ Fiscal and Monetary Policy
\end{itemize}

\textbf{Suggestions}
This course will not be difficult if you read the assigned readings, attend lectures, and do the problem sets. Make use of my office hours. I will always respond to emails containing specific questions about the material discussed or the problem sets. Attempting to study just before exams is likely to result in failure. You will receive practice exams before both the midterm and the final and should use those as your study-guides.