

THE UNIVERSITY OF CHICAGO

Introduction to Macroeconomics

Economics 19900
Autumn Quarter 2009
Mon., & Wed.,
10:30 – 11:50 a.m.
Social Sciences 122

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Course Description:

The course will cover - via theory and basic economic reasoning, as well as contemporary applications and public policy debates - current major U.S. domestic and international macroeconomics issues, including: the determination of income and output, inflation, unemployment, and economic growth; the money supply, banking system, and the Federal Reserve; federal spending, taxation and deficits; and international trade, exchange rates, the balance of payments and globalization.

Text and Other Readings:

N. Gregory Mankiw, *Principles of Economics*, 5th Ed or *Principles of Macroeconomics*, 5th Ed* = ME
Charles Wheelan, *Naked Economics** = NE
Articles and Photocopied Handouts = PH
The New York Times, *Chicago Tribune*, *The Wall Street Journal*, or *The Economist*

* For sale at the University (Barnes & Noble) Bookstore; one copy also on Regenstein reserve

Examinations:

There will be three midterm tests and a final examination, as noted on the reading/assignment schedule. Questions will include multiple choice, short answers, graphing, problems, interpretations and essays. Copies of previous Economics 199 midterm and final examinations for the last five times the course has been offered are available for purchase in SS101, on reserve in Regenstein Library, and on-line via Chalk.

Written Assignments:

There are no course/term paper requirements or problem sets.

Grading:

The final course grade will be determined on the basis of performance on the four examinations. Each test is weighted equally. Students will be allowed to drop the lowest of the four scores. There are no make-up exams; if a student misses a test then his/her grade will be based on the other three exams. Students may not take an Incomplete.

In addition, students are expected to have completed assigned readings before coming to class, to be responsible for lecture and discussion material, and to participate in class. Some consideration in grading will be given for productive contributions to class discussions.

Course Assistants:

Jonathan Hall (jdhall@uchicago.edu) and Mark Hendricks (hendricks@uchicago.edu).

Instructor's Office Hours

Mon., 9:00-10:00 a.m.; Tues., 3:00 – 4:00 p.m.; Fri., 11:00am – noon. Other times by appointment. [My secretary is Joanna Vlahos; her office is Rosenwald 229, her phone number is 834-6672, and her e-mail address is jvlahos@uchicago.edu]

Reading, Lecture, Discussion and Examination Schedule

<u>Class</u>	<u>Day & Date</u>	<u>Topic(s), Reading and/or other Assignments</u>
1	Wed., Sept. 30	Introduction to the Course; Major Contemporary Macroeconomics Issues ME Chapters 1, 2 & 3 NE Chapters 1 & 2
2	Mon., Oct. 5	The Economic Role(s) of Government; Government Spending and Taxation ME Chapter 12 (in hardback version only) NE Chapters 3 & 4 PH
X1	Mon., Oct. 5	Overview of Economics 1980, 7-9 p.m., SS122 ME Chapter 1, 2 & 4 PH
3	Wed., Oct. 7	GDP: Measuring National Output and Income ME Chapter 23 (10)* NE Chapter 9 PH
4	Mon., Oct. 12	Changes in the Price Level ME Chapter 24 (11)* PH
5	Wed., Oct. 14	The Many Dimensions of Unemployment; Principal Macroeconomic Statistics ME Chapter 28 (15)* PH
6	Mon., Oct. 19	First Examination
7	Wed., Oct. 21	Brief overview of the History of Economic Thought; Introduction to Basic Macroeconomic Markets & Modeling ME Chapter 1, 33 (20)*
8	Mon., Oct. 26	Aggregate Demand, Aggregate Supply and Equilibrium; Capital, Investment and Saving ME Chapters 33 & 34 (20 & 21)*
9	Wed., Oct. 28	An Introduction to and Overview of Keynesian Economics; Fiscal Policy; ME Chapters 26 (13)* and 34 (21)* PH

*Numbers in parentheses refer to the Mankiw paperback *Macroeconomics*.

Reading, Lecture, Discussion and Examination Schedule (cont.)

<u>Class</u>	<u>Day & Date</u>	<u>Topic(s), Reading and/or other Assignments</u>
10	Mon., Nov. 2	Deficits and Debt ME Chapters 26 (13)* and 36 (23)* PH
11	Wed., Nov. 4	Second Examination
12	Mon., Nov. 9	Introduction to Monetary Economics: Money, Commercial Banking, Central Banking and the Federal Reserve System ME Chapter 29 & 30 (16 & 17)* PH
13	Wed., Nov. 11	Monetary Policy ME Chapter 29 & 30 (16 & 17)* NE Chapter 10 PH
14	Mon., Nov. 16	Business Cycles and Economic Policies ME Chapters 35 & 36 (22 & 23)*
15	Wed., Nov. 18	Inflation and Unemployment ME Chapters 34, 35 & 36 (21, 22 & 23)* PH
16	Mon., Nov. 23	Third Examination
17	Wed., Nov. 25	International Trade and Restrictions in Theory and Practice ME Chapters 3 & 9 NE Chapter 11 PH
18	Mon., Nov. 30	International Finance, the Balance of International Payments, Exchange Rates, and Stabilization in an Open Economy ME Chapters 31 & 32 (18 & 19)* PH
20	Wed., Dec. 2	Population Growth and Economic Growth ME Chapter 25 (12)* NE Chapter 12 PH
X2	Wed., Dec. 9	Final Examination (10:30 a.m.-12:30 p.m.)

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