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, 4th Ed* or *Principles of Macroeconomics, 4th Ed* = ME
Charles Wheelan, *Naked Economics* = NE
Articles and Photocopied Handouts = PH

* For sale at the University Bookstore; one copy also on four-hour 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:

Anna Wong (annawayw@uchicago.edu) and Marc Teignier-Baque (mteignierbaque@gmail.com)

Instructor’s Office Hours

Mon., 11:45 a.m. – 12:30 p.m.; Wed., 3:30 – 4:15 p.m.; Fri., 2:30 – 3:30 p.m. Other times by appointment. [My secretary is Juliet; her office is Rosenwald 229, her phone number is 834-6672, and her e-mail address is jebrowne@uchicago.edu.]
<table>
<thead>
<tr>
<th>Class</th>
<th>Day &amp; Date</th>
<th>Topic(s), Reading and/or other Assignments</th>
</tr>
</thead>
</table>
| 1     | Mon., Sept. 29 | Introduction to the Course; Major Contemporary Macroeconomics Issues  
ME Chapters 1, 2 & 3  
NE Chapters 1 & 2                                                                                                                                               |
| 2     | Wed., Oct. 1   | The Economic Role(s) of Government; Government Spending and Taxation  
ME Chapter 12 (in hardback version only)  
NE Chapters 3 & 4  
PH                                                                                                                                   |
| X1    | Wed., Oct. 1   | Overview of Economics 19800, 7-9 p.m., SS122  
ME Chapter 1, 2 & 4                                                                                                                                  |
| 3     | Mon., Oct. 6   | GDP: Measuring National Output and Income  
ME Chapter 23 (10)*  
NE Chapter 9  
PH                                                                                                                                  |
| 4     | Wed., Oct. 8   | Changes in the Price Level  
ME Chapter 24 (11)*  
PH                                                                                                                                  |
| 5     | Mon., Oct. 13  | The Many Dimensions of Unemployment; Principal Macroeconomic Statistics  
ME Chapter 28 (15)*  
PH                                                                                                                                  |
| 6     | Wed., Oct. 15  | First Hour Examination                                                                                                                                                                                                                   |
| 7     | Mon., Oct. 20  | Brief overview of the History of Economic Thought; Introduction to Basic Macroeconomic Markets & Modeling  
ME Chapter 1, 33 (20)*                                                                                                                                 |
| 8     | Wed., Oct. 22  | Aggregate Demand, Aggregate Supply and Equilibrium; Capital, Investment and Saving  
ME Chapters 33 & 34 (20 & 21)*                                                                                                                                          |
| 9     | Mon., Oct. 27  | 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.*
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>10</td>
<td>Wed., Oct. 29</td>
<td>Deficits and Debt&lt;br&gt;ME Chapters 26 (13)* and 36 (23)*&lt;br&gt;PH</td>
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<tr>
<td>11</td>
<td>Mon., Nov. 3</td>
<td><strong>Second Hour Examination</strong></td>
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<td>12</td>
<td>Wed., Nov. 5</td>
<td>Introduction to Monetary Economics: Money, Commercial Banking, and the Federal Reserve System&lt;br&gt;ME Chapter 29 &amp; 30 (16 &amp; 17)*</td>
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<td>13</td>
<td>Mon., Nov. 10</td>
<td>Monetary Policy&lt;br&gt;ME Chapter 29 &amp; 30 (16 &amp; 17)*&lt;br&gt;NE Chapter 10&lt;br&gt;PH</td>
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<td>14</td>
<td>Wed., Nov. 12</td>
<td>Business Cycles and Economic Policies&lt;br&gt;ME Chapters 35 &amp; 36 (22 &amp; 23)*</td>
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<tr>
<td>15</td>
<td>Mon., Nov. 17</td>
<td>Inflation and Unemployment&lt;br&gt;ME Chapters 34, 35 &amp; 36 (21, 22 &amp; 23)*</td>
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<tr>
<td>16</td>
<td>Wed., Nov. 19</td>
<td><strong>Third Hour Examination</strong></td>
</tr>
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<td>17</td>
<td>Mon., Nov. 24</td>
<td>International Trade and Restrictions in Theory and Practice&lt;br&gt;ME Chapters 3 &amp; 9&lt;br&gt;NE Chapter 11&lt;br&gt;PH</td>
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<td>18</td>
<td>Wed., Nov. 26</td>
<td>Globalization; Trade and Equity Issues&lt;br&gt;PH</td>
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<td>19</td>
<td>Mon., Dec. 1</td>
<td>International Finance, the Balance of International Payments, Exchange Rates, and Stabilization in an Open Economy&lt;br&gt;ME Chapters 31 &amp; 32 (18 &amp; 19)*&lt;br&gt;PH</td>
</tr>
<tr>
<td>20</td>
<td>Wed., Dec. 3</td>
<td>Economic Growth&lt;br&gt;ME Chapter 25 (12)*&lt;br&gt;NE Chapter 12&lt;br&gt;PH</td>
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<td>X2</td>
<td>Mon., Dec. 8</td>
<td><strong>Final Examination (8 – 10 a.m.)</strong></td>
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