

THE UNIVERSITY OF CHICAGO

Introduction to Macroeconomics

Economics 19900
Winter Quarter 2012
Mon. & Wed.
1:30-2:50 p.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*, 6th Ed or *Principles of Macroeconomics*, 6th Ed* = ME
Charles Wheelan, *Naked Economics** (Revised Edition) = 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.

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 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. If a student withdraws from the course after Week 3 and is not passing at the time, he/she will receive a WF.

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:

Seongkyu "Gilbert" Park (skpark@uchicago.edu), Jesica Torres (jesicatorres@uchicago.edu), Mete Karakaya (metekarakaya@uchicago.edu), Dimitris Batzilis (batzilis@gmail.com)

Instructor's Office Hours

Tue., 1:30-3:00 pm; Wed., 4:00-5:00pm, Fri., 10:00am – noon. Other times by appointment.
[My secretary is Grace Hammond. Grace's office is Rosenwald 229, her phone number is 834-6672, and her e-mail address is gohammond@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., Jan. 4	Introduction to the Course and Assignments; Overview of Microeconomic principles; Major Contemporary Macroeconomics Issues ME Chapters 1, 2, 3, 4 NE Chapters 1 & 2 PH
2	Mon., Jan. 9	The Economic Role(s) of Government; Government Spending and Taxation ME Chapter 12 (in hardback version only) NE Chapters 3 & 4 PH
3	Tue., Jan. 10 (7 PM)	GDP: Measuring National Output and Income ME Chapter 23 (10)* NE Chapter 9 PH
4	Mon., Jan. 11	Changes in the Price Level ME Chapter 24 (11)* PH
5	Sat., Jan. 14 or Sun., Jan. 15	The Many Dimensions of Unemployment ME Chapter 28 (15)* PH
X1	Mon., Jan. 16	MLK Day: National and University Holiday
6	Wed., Jan. 18	First Examination
7	Sat., Jan. 21 or Sun., Jan. 22	Brief overview of the History of Economic Thought; Principal Macroeconomic Statistics; Introduction to Basic Macroeconomic Markets & Modeling ME Chapter 1, 33 (20)*
8	Mon., Jan. 23	Aggregate Demand, Aggregate Supply and Equilibrium; Capital, Investment and Saving ME Chapters 33 & 34 (20 & 21)*
9	Wed., Jan. 25	Introduction to and Overview of Keynesian Economics; Fiscal Policy in theory and practice ME Chapters 26 (13)* and 34 (21)* PH
X2	NOTE:	No class on Jan. 30, Feb. 1, Feb. 6, Feb. 8 (Instructor in Asia on University business)

*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., Feb. 13	Deficits and Debt ME Chapters 26 (13)* and 36 (23)* PH
11	Wed., Feb. 15	Second Examination
12	Sat., Feb. 18 or Sun., Feb. 19	Introduction to Monetary Economics: Money, Commercial Banking, Central Banking and the Federal Reserve System ME Chapter 29 & 30 (16 & 17)* PH
13	Mon., Feb. 20	Monetary Policy ME Chapter 29 & 30 (16 & 17)* NE Chapter 10 PH
14	Wed., Feb. 22	Business Cycles and Economic Policies ME Chapters 35 & 36 (22 & 23)*
15	Sat., Feb. 25 or Sun., Feb. 26	Inflation and Unemployment; “Market Madness” ME Chapters 34, 35 & 36 (21, 22 & 23)* PH
16	Mon., Feb. 27	Third Examination
17	Wed., Feb. 29	International Trade and Restrictions in Theory and Practice ME Chapters 3 & 9 NE Chapter 11 PH
18	Mon., Mar. 5	International Finance: the Balance of International Payments, and Exchange Rates ME Chapters 31 & 32 (18 & 19)* NE Chapter 11 PH
19	Wed., Mar. 7	Population Growth and Economic Growth ME Chapter 25 (12)* NE Chapter 12 PH
X3	Wed., Mar. 14	Final Examination (1:30 p.m.-3:30 p.m.)

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