THE UNIVERSITY OF CHICAGO

Introduction to Macroeconomics

Economics 19900
Summer Session 2009: July 14-August 6
Mon, Tues & Thurs 6:00-9:15 p.m.
http://home.uchicago.edu/~arsx/

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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 and 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

* For sale at the University Bookstore

Examinations:
There will be two 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 examinations will be distributed to all enrolled students. (There are no written course papers or problem sets.)

Grading:
The final course grade will be determined on the basis of performance on the three examinations and class participation. Approximate weights of these components are:

Two Midterm Examinations = 30% each
Class Participation = 10%
Final Examination = 30%

In addition, students are expected to have completed assigned readings before coming to class each evening, to be responsible for lecture and other material, and to participate in class. Consideration in grading will be given for productive contributions to our discussions.

Office Hours
Mondays and Tuesdays, 11 a.m. to 1:00 p.m., immediately before and after class, and by appointment.

Reading, Lecture, Discussion and Examination Schedule

<table>
<thead>
<tr>
<th>Class</th>
<th>Day &amp; Date</th>
<th>Topic(s), Reading and/or other Assignments</th>
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<tbody>
<tr>
<td>1A</td>
<td>Tuesday, July 14</td>
<td>Introduction to the Course and Major Contemporary Macroeconomics Issues</td>
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<td>ME Chapters 1, 2 &amp; 3, NE Chapters 1 &amp; 2, PH</td>
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<td>1B</td>
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<td>Government Spending and Taxation</td>
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<td>ME Chapter 12, NE Chapters 3 &amp; 4</td>
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<td>1C</td>
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<td>Overview of Economics 19800</td>
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Thursday, July 16  GDP: Measuring National Output and Income
ME Chapter 10 (23)
NE Chapters 9
PH

Changes in the Price Level
ME Chapter 11 (24)

Tuesday, July 21  The Many Dimensions of Unemployment
ME Chapter 15 (28)

Current Taxation, GDP, Inflation and Unemployment Controversies

Thursday, July 23  First Hour Examination  6:00-7:15 p.m.

Introduction to Macroeconomic Thought, Statistics, Markets & Modeling; Aggregate Demand, Aggregate Supply; Capital, Investment & Saving
ME Chapters 1, 20 (33) and 21 (34)

Monday, July 27  An Introduction to Keynesian Economics

Fiscal Policy
ME Chapter 13 (26)

Deficits and Debt
PH

Tuesday, July 28  Introduction to Monetary Economics: Money, Banking & the Fed; Monetary Policy
ME Chapter 16 (29) and 17 (30)
NE Chapter 10

Business Cycles & Economic Policies
ME Chapters 22 (35) and 23 (36)

Inflation and Unemployment
ME Chapters 21 (24), 22 (35) & 23 (36)

Thursday, July 30  Second Hour Examination  6:00-7:15 p.m.

International Trade in Theory and Practice
ME Chapters 3 & 9
NE Chapter 11

Monday, August 3  International Finance and the Balance of Payments
ME Chapters 18 (31) and 19 (32)

PH

Globalization
PH

Tuesday, August 4  Economic Growth
ME Chapters 12 (25)
NE Chapter 12

Thursday, August 6  Review

Final Examination