

# Economics 302: Intermediate Macroeconomics

University of Montana  
Department of Economics

Fall 2019

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Office: Liberal Arts 406	Office Hours:	T 0930 - 1030, W 1400 - 1530
CRN: 72497	Lecture:	MWF 1100 - 1150, LA 201
	Prerequisites:	ECNS 202: Principles of <b>Macroeconomics</b> .

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**Course Description:** The focus of this course is to expose students to a range of macroeconomic models and schools of thought focusing on the analysis of national income determination, unemployment, and inflation with an emphasis on the role of monetary policy and fiscal policy. We will extend what you learned in your principles of macroeconomics course and address important issues in short-run macroeconomic fluctuations and long-run growth.

**Textbook:** N. Gregory Mankiw, *Macroeconomics*. The book is intended to complement the material presented in lecture. You will likely find the lectures to be more valuable if you read the relevant material in the book **before** it is presented in class.

**Course Websites:** We will be using two websites for this course [Moodle](#) and [Launchpad](#).

1. **Moodle:** I will post the syllabus, announcements, class slides, and review guides on Moodle
2. **Launchpad:** Homework assignments will be completed on Launchpad. You will also be able to track your overall score in the course on Launchpad.

To reduce the average cost of the text and online support material, I agreed to use the “all-inclusive” pricing option offered by the UM bookstore and publisher. This means that you should access the course the first time through Moodle. The *Launchpad Access* on the Moodle webpage should allow you to connect to the course on Launchpad.

The Inclusive Access Program grants you access to your required course materials by the first day of class at the discounted rate. Your student account has already

been charged this discounted rate. If for any reason you decide to purchase your materials elsewhere you can opt-out of this program by the add/drop deadline and will receive a refund to your student account.

- The Launchpad course name is:

**TAYLOR: Intermediate Macroeconomics, Fall 2019**

- The Launchpad course-specific url is:

**<https://www.macmillanhighered.com/launchpad/mankiw9e/11121850>**

**Grading Policy:** The graded coursework will consist of homework assignments, three midterm exams, and a final exam.

**Your final course grade will be determined as follows:**

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20%	Homework
20%	Midterm Exam #1 (Wednesday, 18 September 2019)
20%	Midterm Exam #2 (Wednesday, 16 October 2019)
20%	Midterm Exam #3 (Wednesday, 13 November 2019)
20%	Final Exam (Friday, 13 December 2019 at 8:00 AM)

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**Homework:** Homework will be completed online at the Launchpad website. Homework will be **due by 11:00PM** on the assigned due date. After 11:00 PM the website will not allow assignments to be submitted. **Late homework will not be accepted.** The assignment with the **lowest percentage score will be dropped** from your homework grade.

There will be two types of graded homework assignments:

1. “Graded Homeworks”: conventional online assignments
2. “Learning Curve” assignments: you answer enough questions to reach a certain point total—assignment is scored 0 or 100

**Exams:** All exams are cumulative. **No makeup midterm exams will be given, except for University-related conflicts.** In the case of a missed midterm due to emergency situations, the student may be allowed to put the weight of the missed exam on the final exam, provided I am notified as soon as possible and verification of the emergency is provided to me by phone, voice mail, or email, no later than 24 hours after an exam. A missed final due to an unanticipated emergency may be handled with an “incomplete” for the course at my discretion and in accordance with University policies. **Do not take this class if you**

**know that you cannot make one of the scheduled exams.**

**Attendance:** The textbook is not a substitute for lectures and you will be held responsible for all topics covered in lectures. You may not use my office hours as a substitute for class time.

**Students with Disabilities:** If you are a student with a disability who will require reasonable program modifications in this course, please meet with Disability Services for Students in Lommasson 154 for assistance in developing a plan to address program modifications. If you are already working with Disability Services arrange to meet with me during my office hours to discuss reasonable modifications that may be necessary. For more information, visit the Disability Services website at <http://www.umt.edu/disability>.

**Drops and Credit/No-Credit:** The University has deadlines and policies applicable to dropping the course and changing your grading option. Request to make changes must be in accordance with University policy and deadlines. **In accordance with University policy, students taking the course credit/no credit must earn a D- or better to receive credit.**

**Academic Integrity:** All students must practice academic honesty. Academic misconduct is subject to an academic penalty by the course instructor and/or a disciplinary sanction by the University. All students need to be familiar with the Student Conduct Code. The Code is available for review online at [http://life.umt.edu/vpsa/student\\_conduct.php](http://life.umt.edu/vpsa/student_conduct.php).

**Outline of Course Material:** The following is a tentative schedule of lectures and associated reading from the text. Additional readings will be assigned throughout the course. The schedule should be viewed as tentative and may be subject to change throughout the term.

### **Part I: Introduction**

- Macroeconomics (Reading: Chapter 1)
- The Data of Macroeconomics (Reading: Chapter 2)

### **Part II: Classical Theory: The Economy in the Long Run**

- National Income (Reading: Chapter 3)
- The Monetary System (Reading: Chapter 4)
- Inflation (Reading: Chapter 5)
- Open Economy (Reading: Chapter 6)
- Unemployment and the Labor Market (Reading: Chapter 7)

### **Part III: Growth Theory**

- Economic Growth: Capital and Labor (Reading: Chapter 8)
- Economic Growth: Technology, Empirics, and Policy (Reading: Chapter 9)

### **Part IV: Business Cycle Theory: The Economy in the Short Run**

- Economic Fluctuations (Reading: Chapter 10)
- Aggregate Demand: Building the IS-LM Model (Reading: Chapter 11)
- Aggregate Demand: Applying the IS-LM Model (Reading: Chapter 12)
- Open Economy: Mundell-Fleming Model and the Exchange-Rate Regime (Reading: Chapter 13)
- Aggregate Supply and the Phillips Curve (Reading: Chapter 14)

### **Part V: Topics in Macroeconomics**

- A Dynamic Model of Economic Fluctuations (Reading: Chapter 15)
- Understanding Consumer Behavior (Reading: Chapter 16)
- The Theory of Investment (Reading: Chapter 17)

### **Students who successfully complete this course will be able to:**

1. demonstrate an understanding of macroeconomic statistics such as GDP, the unemployment rate, and the inflation rate.

2. describe the determinants of long-run economic growth according to several different models.
3. explain the causes and consequences of short-run fluctuations in the macro economy using standard macroeconomics models.
4. graphically illustrate historic, current, and hypothetical economic episodes and policy proposals using standard macroeconomic models.
5. demonstrate competency using various graphical and algebraic macroeconomic models.