EMORY UNIVERSITY
Department of Economics

ECON212 Intermediate Macroeconomics
Spring 2017

Instructor

Instructor: Federico S. Mandelman
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Office hours: Monday & Wednesday 4:00-5:15 (or by appointment)

Course Description and Objectives
The topics we cover in this intermediate course in macroeconomics will help you understand how economies function, both in the national and international contexts. We will also discuss current economic issues, and you will critically evaluate articles in the financial press. We will focus on the fundamental issues of macroeconomics, such as inflation, unemployment, monetary and fiscal policy, short run fluctuations of the economy, savings and investment in the open economy, financial markets, and exchange rates. We will use macroeconomic tools to analyze how fiscal and monetary policies react to shocks affecting the economy. Finally, I will provide an introduction to the major schools of economic thought and their different approaches to same economic issues.

Prerequisite
It was listed on OPUS that this course required ECON 101 or BUS 201 and ECON 112 and MATH 111 or MATH or equivalent transfer credit as a prerequisite. It is your exclusive responsibility to check whether you satisfy the enrollment requirements to take this course.

General Outline of the Class
The format of the class: it will be mostly lectures, but I will also review problem sets or exams on a regular basis. We will also watch and discuss videos. You’re most welcome (and encouraged) to make remarks or to ask
questions during class. Do not hesitate to interrupt me if you do not understand me or are confused by something I said. You can also ask me questions during office hours, or by email. **Remember that email is only suitable for very precise questions that can be answered in one or two sentences.** However, it is ineffective when the questions are more general and require some elaboration. Therefore, I strongly encourage you to visit me during office hours. Ask for help as soon as you fall behind, and not just before the exams.

**Textbook and Useful Resources:**

The following textbook is required: Macroeconomics, by N. Gregory Mankiw, *8th edition*, Worth publishers. This book is available online. **Do NOT buy the latest (9th) edition in the bookstore.**

**Class Etiquette:**

- Class attendance is not mandatory.

-I will **not** take class attendance.
-I will **not** give you extra credit for class attendance.
-You should **not** let me know in advance if you are planning to skip classes.

- **Notice, however, that it will be highly beneficial for you to attend classes.** We will discuss many of the exam questions in class. If you miss a class, it is up to you to make sure that you get the class notes (as well as any missed handout not posted in blackboard) **directly from your classmates.** Do **not** use the office hours to recollect any lecture materials from missed classes.

- **Do not use laptops (or anything similar) in class.**

This is highly distractive and greatly disturb the class dynamics. I will request you to leave the classroom if you choose to use any electronic device.

- **Turn your cellular phones off (silent mode) before entering the class.**
Course Webpage

Announcements, problem sets and most of my class slides will be posted on Emory BlackBoard. Therefore, you should check BlackBoard frequently for updates. **On the other hand, I will NOT check email on Learnlink**, so please make sure that you **only** use the email address provided above to contact me.

Course Grading

Exam #1: 20%
Exam #2: 30%
Exam #3: 50%

**Homework:** There will be three problem sets, which are **ungraded**. I may distribute some additional questions during my lectures. I encourage you to do the problem sets, because the questions in the exams are closely related to the problem sets. I will go through the problem sets in class one week after it is posted online.

**Exams:** The exams are not cumulative, though some questions still require your knowledge of the chapters covered before the exam. The first two exams are scheduled on **February 27** and **April 10** respectively in the evening. Makeup midterm exams are not available. If you have a medical emergency, you will need to present a doctor’s note (subject to verification). In that case, I will distribute the weight of the missed exam equally between the two other exams. The final exam on **May 3 11:30-2:00** should not be missed.

Your final letter grade depends on the following grading scale.

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\begin{array}{c|c}
\geq 93\% & A \\
90-92.9\% & A- \\
87-89.9\% & B+ \\
83-86.9\% & B \\
80-82.9\% & B- \\
77-79.9\% & C+ \\
73-76.9\% & C \\
70-72.9\% & C- \\
67-69.9\% & D+ \\
\end{array}
\]
60-66.9%  D
< 60%  F

If you would like to dispute your grade, I will be happy to regrade it. **But I could not rule out the possibility that your new grade will be lower than the original grade.**

**Honor code:** You are expected to adhere to the provisions of the Honor Code of Emory College. Suspected cases of academic misconduct will be handled in accordance to the Honor Code, which can be found at: [http://catalog.college.emory.edu/academic/policies-regulations/honor-code.html](http://catalog.college.emory.edu/academic/policies-regulations/honor-code.html)

**Students with disabilities:** Students with disabilities are encouraged to register with the Office of Disability Services (ODS). After that, you can come to see me and discuss accommodations and other special needs.

**ECON 212 EXAM STUDY TIPS**
- Review your notes regularly and visit office hours
- Start preparing for the exam early.
- Learn as much as you can from the problem sets
- During exam, read questions carefully, spend time on understanding what’s being asked
- Try to enjoy this topic and try to relate it to your daily life.

**Course Outline**

Introduction (Chapter 2)
Press Articles: Labor Force Participation and Intangibles
National Income (Chapter 3)
Economic Growth (Chapter 8)
Unemployment (Chapter 7)
Press Articles:
Debate on Minimum Wages: Friedman and Krugman
Labor Market Polarization and the Future of Jobs
**Exam #1 on Monday, February 27**

The Monetary System (Chapter 4)
Inflation (Chapter 5)
Bernanke’s Lectures: Origins and mission of the Federal Reserve
Business Cycles (Chapter 10)
IS-LM model (Chapter 11 and Chapter 12)
Macroeconomic Debate: Monetarism and Keynesianism
Bernanke’s Lectures: The Federal Reserve after World War II

Exam #2 on Monday, April 10

The aggregate Supply (Chapter 14)
International Macroeconomics (Chapter 6)
Open Economy IS-LM: The Mundell-Fleming model (Chapter 13)
US and Global imbalances
The Financial System (Chap. 20)
The Macroeconomic debate after the Global Financial Crisis
Bernanke’s Lectures: The Federal Reserve Response to the Financial Crisis
Bernanke’s Lectures: The Aftermath of the Crisis.
Aggregate Implications of Income inequality

Exam #3 on Wednesday, May 3 11:30-2:00