Emory University  
Department of Economics  

Economics 212 – Intermediate Macroeconomics Theory  
Section 000  
Spring 2017  

Instructor: Prof. Vivian Z. Yue  
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Homepage: https://vivianyue.com/

Lecture Hours: MW 2:30pm-3:45pm  
Lecture Room: White Hall 110

Course Description

Our broad objective is to develop the foundations of modern macroeconomic theory, which build explicitly on the principles of microeconomic theory, and use them for studying various macroeconomic issues. A key focus will be on the instruments by which fiscal policy and monetary policy can affect the economy. We will also review some of the history of macroeconomic thought. Additionally, we will review the leading theories of long-run growth. Throughout the course the emphasis will be on theoretical and logical rigor and policy applications.

The course presumes knowledge of both micro- and macroeconomics at the principles level, as well as elementary differential calculus and high school level algebra. It is helpful, although not necessary, to have taken Intermediate Microeconomics (Econ 201) or a similar course. You should also be comfortable with a spreadsheet program like Microsoft Excel.

Student Learning Goals

Upon successful completion of this course, you will be able to:

- use micro-founded models to analyze macro data.
- understand the effect of government policy on all sectors of the economy.
- identify the major facts about long-run growth and interpret the theories that rationalize them.
- apply the material learned to evaluate the effects and merits of alternative policies.

Textbook and Readings

The required textbook for this course is Modern Macroeconomics, by Sanjay K. Chugh, MIT Press 2015. The course will follow this book fairly closely, however I will also assign additional reading as we move along. There is also a “Student Solutions Manual” for Modern Macroeconomics: this is not a required book, but you are free to consult it.

A great complement to the required textbook is Intermediate Macroeconomics, a book currently being written by Julio Garin, Robert Lester and Eric Sims. The pdf for this book is freely available at: http://juliogarin.com/files/textbook/GLS_Intermediate_Macro.pdf. Some assigned readings will be from this book (I will refer to it as GLS).
Apart from the above books, I may assign readings from newspapers or academic journals. I will make sure to post links to these readings on the course website.

Communication and Course Website

I will mostly use Canvas to make announcements regarding the course. Please check regularly your Emory email account. All the materials for this course will be posted on Canvas under ECON 212.

Office Hours

I will have two sets of office hours:

- Mondays 1:00–2:00pm in Rich Building 326 (my office)
- Wednesdays 10:00–11:00am and 1:00–2:00pm in Rich Building 326 (my office).

Teaching Assistants

The TA for this course is TBD. The TA will grade the exams and assignments. The TA will also hold occasional office hours which we will announce ahead of time.

Assessment and Grading Scheme

1. Your final grade (FG) will depend on your performance on the following assessments: a final exam (FE), two midterm exams (ME), and six problem sets (PS).

2. The final exam (FE) will be held on Friday, April 28th 3:00–5:30pm. The location for the FE is to be determined. The final exam schedule for spring classes can also be found on the Registrar’s webpage at: http://registrar.emory.edu/faculty-staff/exam-schedule/spring-2017.html. This date is determined by the University and there is nothing I can do about it. Please make note of the date now. I will not administer the exam early to anyone who has booked early travel home for the summer break.

3. The first midterm (ME1) is scheduled for Monday, February 13th 2:30–3:45pm. The second midterm (ME2) is scheduled for Wednesday, March 22nd 2:30–3:45pm. The location for both midterms is White Hall 110.

4. Should you have a valid, University-approved conflict with any of the exam times, consult with me at least a week ahead of the exam date to make alternative arrangements in accordance with the university guidelines. Failure to resolve exam conflicts at least a week in advance may mean that no alternative arrangements will be available.

5. Your final grade (FG) will be computed as follows: the FE is worth 35% of the grade, your best midterm is worth 30% of the grade, your other midterm is worth 20% of the grade. The remaining 15% of the final grade comes from the 6 mandatory problem sets (PS), each worth 2.5%.

6. Assessments will be graded by the TAs according to my instructions. All the assessments will be graded on the scale of 0–100%. If you need a clarification about an assessment grade please contact the TA first and then contact me if you are unable to resolve the problem.

7. The FG may be curved. Grades may be curved only in the upward direction. My objective (in accordance with departmental norms) is for the average letter grade for the entire semester to be close to a B+. The following is a conversion for points into letter grades:
<table>
<thead>
<tr>
<th>Grade</th>
<th>FG Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$FG \geq 94$</td>
</tr>
<tr>
<td>A-</td>
<td>$90 \leq FG &lt; 94$</td>
</tr>
<tr>
<td>B+</td>
<td>$87 \leq FG &lt; 90$</td>
</tr>
<tr>
<td>B</td>
<td>$83 \leq FG &lt; 87$</td>
</tr>
<tr>
<td>B-</td>
<td>$80 \leq FG &lt; 83$</td>
</tr>
<tr>
<td>C+</td>
<td>$77 \leq FG &lt; 80$</td>
</tr>
<tr>
<td>C</td>
<td>$73 \leq FG &lt; 77$</td>
</tr>
<tr>
<td>C-</td>
<td>$70 \leq FG &lt; 73$</td>
</tr>
<tr>
<td>D</td>
<td>$65 \leq FG &lt; 70$</td>
</tr>
<tr>
<td>F</td>
<td>$FG &lt; 65$</td>
</tr>
</tbody>
</table>

8. **Regrading policy:** If, after going over your assignment and the assignment solutions, you believe some of your solutions were more correct than originally judged to be, you may submit, in writing, an exam regrade request. Your regrade request must specify which solutions(s) you believe were not graded appropriately and a substantive explanation for why you believe your solutions are more correct than originally judged (thus, regrade requests that consist of essentially nothing more than “I think I should have received more points on this question” will not be considered). Your entire exam is subject to regrade, so the overall grade may go up, down or remain unchanged. Exam regrade requests are due no later than 1 week (7 calendar days) after exams are returned.

9. All midterms and the final exams are **individual-work and closed-book**. Problem sets can be worked on in groups of up to 3 students. If you choose to work in groups submit only one solution for the entire group, but please make sure all your names and student IDs are clearly written on the front page of your submission.

10. There will be no make-up exams, no extensions of deadlines, and no extra credit assignments.

11. It is mandatory that students bring their Emory student ID card to all exams.

12. A student who does not respect the time limits during a test will get a 10% penalty on that test.

13. All problem sets are to be submitted at the beginning of class on the due date.

14. Methods of evaluation for PSs, MEs, and FE: short-answer questions, numerical calculations, mathematical derivations, true-false, multiple choice, and fill-in-the-blank questions.

15. Your grades on problem sets and exams will be posted. Please immediately report to the instructor any discrepancy between the posted and actual grades.

**Contacting the Instructor**

My office hours are listed on page 2. Please feel free to come to these office hours to seek help or to discuss matters related to the course. Please note that there is no guarantee I will be available to assist you (even if I am in my office) if you drop by at random times outside of my designated office hours... but I will do my best!

If my scheduled office hours are in conflict with your schedule, you can request an appointment with me via email at vyue@emory.edu. Please ensure that your email has subject line starting with “Intermediate Macroeconomics,” – this will minimize the risk of your email being overlooked or perceived as spam.

**Guidelines and Expectations**
Students are expected to come to class and to participate in various ways in the lectures: either by asking questions, by pointing out errors on the slides, or by answering questions I ask during lectures.

Most of the time, I will deliver my lectures using slides. The slides will be posted on the course website after classes (and if I can, even before classes). Occasionally, I will use the blackboard/whiteboard to cover additional material. The slides are not lecture notes. They mainly provide an outline of what will be discussed in class.

A reading schedule is outlined in this syllabus (see below). Students are assumed to have read the material ahead of the lectures. Students should NOT expect me to talk about every single textbook page. The lectures will focus on the most important and challenging parts of the material. More basic material will be left for the students to study on their own. I will refer to this more basic material in the lectures, hence the need to read ahead to understand the lectures.

**Honor Code** The code itself can be found at the Emory website [http://college.emory.edu/home/academic/policy/honor_code.htm](http://college.emory.edu/home/academic/policy/honor_code.htm) and is copied below. You are strongly encouraged to learn its rules:

The honor code is in effect throughout the semester. By taking this course, you affirm that it is a violation of the code to cheat on exams, to plagiarize, to deviate from the teacher’s instructions about collaboration on work that is submitted for grades, to give false information to a faculty member, and to undertake any other form of academic misconduct. You agree that the teacher is entitled to move you to another seat during examinations, without explanation. You also affirm that if you witness others violating the code you have a duty to report them to the honor council.

**Important Dates**

January 11: first day of classes.

January 30: PS_1 is due (at the beginning of the class).

February 8: PS_2 is due (at the beginning of the class).

February 13: Midterm Exam 1.

March 1: PS_3 is due (at the beginning of the class).

March 6 – 10: Spring break.

March 15: PS_4 is due (at the beginning of the class).

March 22: Midterm Exam 2.

April 5: PS_5 is due (at the beginning of the class).

April 19: PS_6 is due (at the beginning of the class).

April 28: Final Exam.
Course Outline

The tentative (and intentionally ambitious) outline for the course is as follows:

1. Introduction (1–2 lectures)
   - Math and Consumer Theory Review (Modern Macroeconomics ch. 1 and appendix)

2. Consumers, Firms and Fiscal Policy (11–12 lectures)
   - Static Consumption-Labor Framework (Modern Macroeconomics ch. 2)
   - Consumption-Savings Framework (Modern Macroeconomics ch. 3 and 4)
   - Firms (Modern Macroeconomics ch. 6)
   - Intertemporal Fiscal Policy (Modern Macroeconomics ch. 7)
   - Infinite-period Framework and Introduction to Asset Pricing (Modern Macroeconomics ch. 8)
   - Shocks (Modern Macroeconomics ch. 9)
   - Dynamic Consumption-Labor Framework (Modern Macroeconomics ch. 5)

3. A Brief History of Macroeconomics (2 lectures)
   Readings: Modern Macroeconomics ch. 10–14.

4. Policy Analysis (4–5 lectures)
   - Monetary Policy in the Intertemporal Framework (Modern Macroeconomics ch. 15)
   - Monetary–Fiscal Interactions (Modern Macroeconomics ch. 16)

5. Growth (4–5 lectures)
   - Stylized Facts (GLS ch. 4)
   - Solow Growth Model (GLS ch. 5 and 6, and Modern Macroeconomics ch. 25)
   - Neoclassical Growth Model (Modern Macroeconomics ch. 26)
   - Cross-country Differences in Standards of Living (GLS ch. 7)
Important Dates for Spring 2017

Monday, January 9th First day of classes for graduate students
Tuesday, January 10th First day of classes for undergraduate students
Monday, January 16th Martin Luther King Jr. Holiday
Tuesday, January 17th Last day for schedule change undergraduate (graduate students 1/16)
Thursday, January 26th (4:00 p.m.) Last Day for Letter Grade OR Satisfactory/Unsatisfactory (L/G - S/U) change (graduate students 1/23)
Friday, January 27th Deadline for Completion of Incomplete Work from Fall 2016
Friday, February 3rd Summer 2017 Pre-registration begins
Friday, February 3rd Degree Applications for Spring Graduates due to OUE by 4:00 PM (Students should bring to Elizabeth, 312D Rich Bldg for advisor signature)
Friday, March 3rd Last Day to Withdraw without penalty
Mon-Fri, March 6th- 10th Spring Break (no classes)
Monday, March 20th Pre-registration begins for Seniors for Fall 2017 (75+ hours)
Friday, March 31st Last day to withdraw for first year on campus students
Monday, April 17th ADD/DROP/SWAP opens for Fall 2017
Monday, April 24th Last Day of Classes
April 25th- May 3rd Final Exam Days
Friday, May 5th Senior Grades Due at 10 AM
Monday, May 8th Commencement
Thursday, May 11th Deadline for faculty to submit grades in OPUS

At certain points in the course it may make good sense to modify the course content described in this syllabus. The instructor reserves the right to modify elements of the course and will notify students accordingly (in class and post any changes in the course website).