

Econ 420: Intermediate Theory: Money, Income and Employment

UNC at Chapel Hill, Department of Economics

Summer 2016, Session II

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Instructor Information:

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Office Hours: TBD and by appointment

Class Schedule:

Lecture: M, T, W, R, F 11:30am-1:00pm Gardner Hall Rm 207

Course Materials:

Recommended Text: *Macroeconomics* by Richard Froyen, 8th edition or later.

Course Credit:

Students can not receive credit for both Econ 320 and Econ 420.
Econ 101 and Econ 410 are pre-requisites for this course.

Attendance & Late Work Policies:

Although attendance is mandatory, I will not take attendance regularly in class.

Missing the Midterm exam with an excused absence will result in the Final exam counting for 60% of your final grade. Excuses for an absence must be submitted to me in writing within two class days of returning. Illness, family emergencies and religious holidays or other institutional observances are all excused absences.

As noted under the grading rubric, a student who cannot take the Final at the scheduled time must contact me to schedule an alternative arrangement.

Homework will be due at the beginning of class on assigned due dates. Late work will be accepted until 5pm the next school day with a 50% penalty. The lowest homework and quiz grades will be dropped.

Grading Rubric and Policies:

Assignment	% of Course Grade	Date	Details & Policy
Final Exam	(35%)	7/25 11:30am-2:30pm	Comprehensive final exam. If there are circumstances that will prevent you from taking the Final at the scheduled time, please contact me as soon as possible.
Midterm	(25%)	TBD	Missing the Midterm without an "excused absence" results in a zero score for the Midterm. If you miss the Midterm with an "excused absence," the Final Exam will account for 60% of the course grade.
Homework	(20%)	TBD	There will be 4 homework assignments throughout the semester. No make-ups or extra credit will be given. Your lowest homework grade will be dropped.
Quizzes	(20%)	Every Friday	At the beginning of class on Friday, you will be given a short quiz on the materials covered that week. The quizzes will consist of both multiple choice and essay-style questions. No make-ups or extra credit will be given. Your lowest quiz grade will be dropped.

Classroom Policies:

While I welcome the use of electronic devices to aid comprehension in the classroom, the unwanted distraction of fellow students will not be tolerated. If a student's electronic device becomes a distraction to those around them, they will be asked to put it away.

This syllabus is subject to change.

The Honor Code is in effect.

Goal of Course:

The goal of this course is to provide you with the tools necessary to critically analyze current events within the rubric of major schools of macroeconomic thought. We will address three objectives to achieve this goal. First, we will introduce you to the various types, sources and meaning of major macroeconomic data series. Second, we will explore the structure and myriad assumptions underlying popular economic models. The course will place special emphasis on the Classical and Keynesian Theories. Lastly, we will use this data and these macroeconomic theories to evaluate the economy's response to exogenous shocks, such as changes in fiscal, monetary and trade policy. The course differs from Econ 320 in its breadth of material and mathematical rigor. The text will provide a rough guide of the topics we will cover but lectures will provide much supplemental material.

Tentative Course Outline:

- Days 1-3 *Introduction to Macroeconomic Data*
What is macroeconomics? How do we measure macroeconomic activity?
- Days 3-6 *Classical Theory*
Detail the Supply, Demand and Equilibrium conditions that constitute a Classical framework.
Discuss open and closed systems.
- Days 6-12 *Keynesian Theory*
Detail the Supply, Demand and Equilibrium conditions that constitute a Keynesian framework.
Discuss open and closed systems.
- Days 13-16 *Macro Theory After Keynes*
Provide an overview of macroeconomic thinking after Keynes, including New Classical, Real Business Cycle Theory, Dynamic AS/AD and others.
- Days 17-20 *Open Economy Macroeconomics*
Introduce exchange rates and the international monetary system and explore an open economy version of the IS-LM model.
- Days 21-24 *Macroeconomic Policy*
Detail the workings of Fiscal, Monetary and, to a lesser extent, Trade Policy.