

Econ 420: Intermediate Macroeconomics
UNC at Chapel Hill, Department of
Economics
Summer Session I
2020



Instructor information:

Sharjil M. Haque

Email: sharjih@live.unc.edu

Online office Hours: Tuesday and Thursday (1:30 -2:30 pm).

Class Schedule:

Mon, Tue, Wed, Thurs, Fri: 11:30am – 1 pm.

Course Materials:

Required Text: Macroeconomics, by Richard Froyen (10th edition)

Goal of the course:

The goal of this course is to provide you with the tools necessary to analyze critically current events within the rubric of major schools of macroeconomic thought. We will cover cornerstone models in macroeconomics including the classical Model, Keynesian Model, Macro theory after Keynes, Open-economy models and (time permitting) macroeconomic policy. Simultaneously, we will look at macroeconomic data to get an idea of some of the real world data of the variables from our models.

By the end of the course you should be able to provide informed responses to questions such as: Are we in a recession? Should the government lower tax rates or inject a stimulus package in the middle of a crisis? How might actions by the “Fed” impact me? Do the arguments reported in the press regarding economic events make sense in light of the major schools of economic thought? The current state of the U.S. economy amidst the pandemic is an example of a setting where these models can better help us understand economic activity (or lack of it).

The text for the course will provide a rough guide of the topics we will cover. However, class lectures will provide much supplemental material. Attendance is mandatory and the notes you take in class will be your main guide towards understanding the material in this class and performing well in exams. Classes will be a combination of lectures and in-class practice exercises which will help you apply the concepts. The syllabus is subject to change. The honor code is in effect.

Class Logistics

We will conduct our class via zoom.

Zoom Link for both classes and office hours: <https://unc.zoom.us/j/95093741642>

Code of Conduct:

The University Honor Code is in effect. In particular, this implies that all work sub-mitted is your own. Moreover, I expect professional behavior at all times. For example, the non-academic use of personal electronic devices is prohibited.

Exams and grading policy:

There will be one mid-term, on June 1st, and one final exam (date TBD). Logistics for both will be announced and emailed. In addition, there will be three home works, with around one week time to submit.

Grading composition will be as follows:

Homeworks: 3x10%

Mid-Term: 25 %

Final: 40 %

Class Participation: 5%

Please note missing the final exam without a valid excuse from the Dean will result in zero final exam score. If you miss the Mid-term exam with an “excused” absence from the Dean, I will shift the weight of your final exam to 70% of total grades.

Your score to grade translation is shown below. While past performance is **not** a guide to the future, it is worth noting that approximately 30%-40% of this class got A/A- when I taught this course in SS1 2019.

<u>Grade</u>	<u>Score</u>
A	95 and above
A-	90-94
B+	85-89
B	80-84
B-	75-79
C+	70-74
C	65-69
C-	60-64
D+	55-59
D	50-54
F	Below 50

Tentative Course Outline

- Week 1 Introduction, Math Review and Macroeconomic Data
What is macroeconomics? What is the current state of the macroeconomy?
How do we measure macroeconomic activity with GDP, CPI, UR?
- Weeks 1 Classical Theory
Detail the Supply, Demand, and Equilibrium conditions that constitute a Classical framework.
- Weeks 2-3 Keynesian Theory
Detail the Supply, Demand, and Equilibrium conditions that constitute a Keynesian framework.
- Week 4 Macro Theory After Keynes
Provide an overview of macroeconomic thinking after Keynes, including New Classical, Real Business Cycle Theory, Dynamic AS/AD, and others.
- Week 5 Open Economy Macroeconomics
Introduce exchange rates and the international monetary system and explore an open economy version of the IS-LM model.
- Week 5 Macroeconomic Policy
Detail the workings of Fiscal, Monetary, and to a lesser extent, Trade Policy.