

Ricardo Santos  
Spring 2009

## **Eco 209 : Intermediate Macroeconomics**

### **Objective**

The main objective is to provide an overview of modern macroeconomics. The goals are to develop models that allow us to better understand the behavior of the economy as a whole, and also to identify the sources that concern macroeconomic policy. The first part of the course will be devoted to long-run issues such as the sources of economic growth and the determinants of economic development. Then, we consider the short-run and we focus on business cycle fluctuations, and the efficacy of policies towards the stabilization of short-run economic fluctuations.

### **Class Hours**

Lectures will be held on Mondays and Wednesdays from 12:30pm to 13:45pm in Meliora 203. Recitations will be on Fridays from 3:25pm to 4:40pm in Morey 525.

### **Office Hours**

I'll hold office hours on Mondays (by appointment only) and Wednesdays from 11h00am to 12:00pm in my office (Harkness 214). Outside my office hours you may contact me at [rsantos@troi.cc.rochester.edu](mailto:rsantos@troi.cc.rochester.edu), *although* at busy times you will get a prompter response if you stop by during office hours.

Mehmet Ekinici will be the TA. He will hold office hours on Thursdays 3pm to 4pm in Harkness 207, and his email contact is [mekinci@troi.cc.rochester.edu](mailto:mekinci@troi.cc.rochester.edu).

### **E-mail list**

If at the moment of the first class you are registered for this course you are automatically included in the class email list. If not, make sure to register and to personally provide me your email address. This will be the main way I will make announcements and communicate with the class. Also make sure your email with the registrar's office is operational.

### **Course Website**

I will also make significant use of the course website to communicate with the class. In particular, homework assignments and some figures to follow in class will be posted here (and will *not* be distributed as hard copies). Most announcements will also be posted on the site, so make sure to check it regularly at <http://troi.cc.rochester.edu/~rsantos/>.

### **Textbook**

"Macroeconomics", 6<sup>th</sup> edition, by Andrew B. Abel, Ben S. Bernanke, and Dean Croushore, by Addison Wesley Publishing. It is available for purchase at the campus bookstore and there is also one copy on reserve at Rush Rhees library.

## **Grading**

In-recitation Quizzes (around 9): 15% (the lowest score will be dropped)  
Two Midterms: 25% each (23<sup>th</sup> February, 06<sup>th</sup> April)  
Final: 35% (U of R schedule: 05<sup>th</sup> May at 08h30am)

## **Make-up Exams**

The only acceptable excuses for missing an exam are medical illnesses or family emergencies. Any exam that is missed without a *verifiable* legitimate reason will receive a grade of zero. Moreover, if you have a legitimate excuse and you will not be able to take an exam on time, you need to let me know *before* the exam. Furthermore, there is no make-up for a missed quiz for any reason; however, the quiz with lowest score will be dropped.

## **Syllabus**

### I – Introduction

- Introduction to Macroeconomics (*Chapter 1*)
- The Measurement and Structure of the National Economy (*Chapter 2*)

### II – Long-run Economic Performance

- Labor Market (*Chapter 3*)
- Goods Market (*Chapter 4*)
- Long-run Economic Growth (*Chapter 6*)

### III – Business Cycles and Macroeconomic Theory

- Business Cycles Facts (*Chapter 8*)
- Classical Business Cycle Analysis (*Chapter 10*)
- Keynesian Approach

### IV – Macroeconomic Policy (Institutions and Environment)

- Unemployment and Inflation (*Chapter 12*)
- Exchange Rates, Business Cycles, and Macroeconomic Policy in the Open Economy (*Chapter 13*)
- International Trade