

ECON 4020: Intermediate Macroeconomics
Department of Economics
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When: Call 30631: MWF 9:05–9:55AM. Call 13291: MWF 10:10AM–11:00AM.

Where: Call 30631: 105 Caldwell Hall. Call 13291: 102 Caldwell Hall.

Office Hours: Mondays 2:00–3PM in my office (512 Brooks Hall).

Teaching Assistant: Garrett Gollehon (garrett.gollehon@uga.edu).

Basics

Communication: The best way to communicate with me is via e-mail. Please include “Intermediate Macro” in the subject of the email (that way, it will be forwarded to my other accounts). I will do my best to get back to you within 24 hours. To improve and facilitate the communication, we will be using a Facebook group. To join the group, you should go to Facebook, then to UGA groups, search for “ECON 4020 - Fall 2016”, and ask to join the group.¹ While most announcements will be made in class, you should check your UGA e-mail and the Facebook group regularly throughout the semester.

Course Description and Objectives: This course aims to give you a solid understanding of macroeconomic theory. While the primary focus will be on theory, we will look at data and evidence to help motivate our theories and/or to assess competing ones. In order to be comfortable with the empirical portion of the course, required to perform the latter, you should become familiar with a spreadsheet program like Microsoft Excel. Since an extremely important question is what –if anything– can policymakers do in order to improve individuals’ welfare, we will also consider the implications of the theories for the decisions made by policymakers. We will also take a close look at the recent financial crisis and ensuing recession.

By the end of the course, the models and the theories introduced should have given you a deeper and solid understanding of some the main concepts learned in Principles of Macroeconomics.

In terms of pre-requisites, you should have a principles-level understanding of both macroeconomics (ECON 2105) and microeconomics (ECON 2106). Intermediate microeconomics (ECON 4010), though not a mandatory pre-requisite, would be helpful for this course. Because our models will require mathematical tools, you should also feel somewhat comfortable using high school algebra. I will cover in class the differential calculus that we will be using.

Course Materials

The main content for the course is covered in my lectures and in the first draft of the book Rob Lester (Colby College), Eric Sims (Notre Dame), and I wrote. I will make a digital copy of the book available during the first week of class. In addition, I will make available an electronic version

¹You need to make sure UGA is one of your networks and you have set your @uga.edu as your primary e-mail.

of the slides that I make use of during class. The book is still work in progress for some chapters so I would recommend you to print and read it as you go (I will be providing the updates as they are occurring). I *strongly* encourage you to read the chapters before each lecture, print out the slides, and fill them out during class. The slides are just a tiny fraction of all the material I go over during lectures (essentially, they are just a guide) but in the past students have found them pretty helpful. However, you should be aware that neither the slides nor the textbooks are substitutes for attending class (I'm assuming you pay attention to the lectures!).

Textbook:

Intermediate Macroeconomics, Garín, Lester, and Sims (GLS).

Reference Books:

Macroeconomics, Stephen Williamson (SW), Fifth Edition. Prentice Hall.

Macroeconomics, Abel, Bernanke, and Croushore (ABC), Eight Edition. Pearson.

Extra sessions: Throughout the semester, and hopefully once per week, Garrett or I will be offering extra sessions/office hours so you have more opportunities to keep up with the material and/or reinforce what you have learned. The exact dates will be determined in the first week of classes.

Class Policies

Attendance: Unless you have a legitimate excuse (family or health related emergency, NCAA athletic competition away, and job interview), *you need to attend class, arrive on time, and not leave early*. Projects or assignments for other classes are not acceptable excuses for missing class. If for some reason you are not able to come to class or you have to come late or leave early you need to contact me before class and let me know. When you must miss a class it is your responsibility to get the assignments from me or a classmate. Poor attendance will surely contribute to a low grade. I will be more than happy to help you with course material on a 1-to-1 basis as long as you attend class and put forth the proper effort.

Electronic devices: Except when mentioned, *you are expected not to use electronic devices in the class*. That means that you should not be using any device that either starts with an 'i', has a LCD screen, or both. If you usually take your notes on a laptop, talk to me.

Makeup exam policy: *There will be no makeup exams*. If you have a valid excuse (family or health related emergency, NCAA athletic competition away, and final exam conflict) you or a friend of yours need to let me know *before* the missed exam. In case of a health related emergency, I will need a doctor's letter of excuse; in the other situations, you will need to notify me and the Dean of Students and get a letter of excuse from him. If you follow these instructions, I will transfer the weight of your missed test to the other two exams, otherwise, you will receive a zero score on the missed test.

Re-grades: If you feel that your exam was incorrectly or unfairly graded, you have *one week* after the class in which it is returned to submit it for a re-grade. However, when an exam is turned in for a re-grade, the entire exam will be re-graded and the scores for individual questions can be either increased or decreased. The same policy applies to problem sets.

Academic Honesty: *You are expected not to engage in academic dishonesty*. While collaboration in small groups in doing homeworks is permitted in this course, copying is not. Therefore, problem sets and examinations are conducted under the University of Georgia's [Honor Code](#) and the

Academic Honesty Policy. Specifically:

“As a University of Georgia student, you have agreed to abide by the University’s academic honesty policy, “A Culture of Honesty,” and the Student Honor Code. All academic work must meet the standards described in “A Culture of Honesty” found at: www.uga.edu/honesty. Lack of knowledge of academic honesty policy is not a reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.”

Assignments, Grading, and Important Dates: Lectures are important, but in economics, so is practice. With this in mind, we will have approximately **7 homework assignments** plus some additional assignments that will consist mainly of readings that will be handled in class and will provide you with extra training for tests and for life. With the exception of the first problem set, you may work in groups of up to four students on the homework assignments. If you work in a group, you can turn in one assignment, but you have to make sure that the names of all group members legibly appear on the first page of the assignment. In addition, there will be **two midterms and a final exam**.

For Students enrolled as 4020H: In addition to all the above, you will be required to **read at least one book** and write a report about it. I will provide you with more information about the book reviews in a separate handout. You will also have extra assignments that will consist of additional questions that will be added to the regular problem sets. Furthermore, you may have more challenging questions during examinations (midterms and final).

The weight of each one of these components in the final grade and the important dates are as follows:

Grading Weight

Problem Sets & Reading Assignments	12%
Midterm 1	23%
Midterm 2	30%
Final	35%

In this class, there is not a grading scale based on fixed intervals. Your letter grade, and the sign attached to it, will be based both on your performance and on the distribution of grades at the end of the semester.

Important Dates (Tentative)

Friday, August 12	First Class
Friday, September 16/23	Midterm 1
Friday, October 14/21	Midterm 2
Monday, December 5	Last Class
Final Exam (30631)	Wednesday, December 7, 8:00–10:00 AM
Final Exam (13291)	Monday, December 12, 8:00–10:00 AM

Extra Credit: Within the first few class lectures, you should begin to notice that applications of the concepts we are studying are abundant in the media. I will bring as many “real world” applications to class as possible, and I encourage you to do the same—your contributions will enhance the class as well as your individual learning experience. As extra incentive, I will add up to 10 points to the lowest problem set grade of students who do the following: find an article from a newspaper, magazine, or web site that is in some way applicable and related to what we are

learning in the course, send it to me via e-mail, and be prepared to discuss the article informally in class. I will either forward these articles or post links to them on our Facebook Group so other students can read them before class as well. While there is no deadline for these articles, if you send me an article two weeks before the end of the semester and I already have six articles on the docket, yours will not be included (and you will not receive extra credit). It is therefore in your interest to send me articles sooner rather than later.

Course Outline

(Tentative and Subject to Revision)

1. Introduction and Math Preliminaries
2. Measuring the Economy
3. Long-run Economic Growth
4. Households, Firms, and Competitive Equilibrium

First Midterm

5. Neoclassical Business Cycle Models
6. Unemployment
7. New Keynesian Models

Second Midterm

8. The Financial Crisis and Great Recession: 2007-2009
9. International Macroeconomics

Final

Always keep in mind that *the course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.*
