Fall 2013
M. Odekon
Office: Filene 108
Ext.: 5097

Office Hours: M 1:30-3:00 pm
W 2:00-3:30 pm
Or by appointment

EC 235
Macroeconomic Theory

This course provides a thorough understanding of the theoretical foundations of macroeconomic activity. Topics include long-term economic growth, labor market and wage equilibrium, determination of equilibrium income and interest rate, and public policy.

Specific objectives of the course are:

- To introduce and examine fundamental models and concepts in macroeconomics;
- To engage in in-class problem-solving activities and discussions;
- To serve as a basis for further upper-level study in economics.

Textbook (in the bookstore):

R. Dornbusch, et al. 2011 (eleventh edition). **Macroeconomics**. McGraw Hill.

Course Requirements:

Test I	October 8th	25 percent
Test II	November 7th	25 percent
Three quizzes	(10/3, 10/31, and 12/5)	15 points (each 5 points)
Assignment	(due date: 10/22)	10 percent
Final	(tba)	25 percent

PLEASE NOTE:

You are strongly recommended not to miss class. There are no make-ups.

NO LAPTOPS ARE ALLOWED IN CLASS WITHOUT MEDICAL DOCUMENTATION.

Assignment: Write a maximum of 5-page (double-spaced) position paper critically responding to the six policy measures listed in:

http://www.americanprogress.org/issues/labor/news/2013/04/24/61295/top-6-policies-to-help-the-middle-class-that-wont-cost-taxpayers-a-penny/

Course Outline:

- Introduction and the US Economy

Chapter 1, Section 1

- National Income Accounting
  Chapter 1, Section 2

- Growth Theory
  Chapters 3 and 4

- Supply and Demand
  Chapters 5-7

- IS and LM Model
  Chapters 9 and 10

- Macroeconomic Policy
  Chapters 8 and 11, 16-17

- Open Economy
  Chapters 12 and 20

- Behavioral Foundations
  Chapters 13-15

Additional readings (due date):

http://www.imf.org/external/pubs/ft/scr/2013/cr13237.pdf (October 15th)

http://www.imf.org/external/pubs/ft/scr/2013/cr13236.pdf (November 14th)