



COURSE SYLLABUS

Course: **Econ 3133 Macroeconomic Theory**

Prerequisite: (ECON 2013 and ECON 2023) or ECON 2143) and (MATH 2043 or MATH 2554).

Course Description:

Macroeconomics is the study of how economic systems perform. The causes and possible cures of inflation and unemployment are closely analyzed from several theoretical viewpoints. The performance of an economy affects its citizens' standard of living and quality of life. The knowledge of how the economy works will be useful long after the student's completion of this class.

Value of the Course:

The past three decades have been challenging ones for macroeconomists. Key variables in macroeconomics — the levels of output, employment, income, inflation and interest rates — have all proved difficult to explain and predict. This period has also been an active one in macroeconomic theory, a period of controversy but also of progress. The major modern economic theories are presented and compared in this class.

“The purpose of studying economics is not to acquire a set of ready-made answers to economics questions, but to learn how to avoid being deceived by economists.” --Joan Robinson (an economist)

Class Procedures:

Class will consist primarily of lectures and demonstrations, with students' questions and participation in discussions greatly encouraged.

Course Materials:

- ❖ Textbook: G. Mankiw, *Macroeconomics*, 7th edition, Worth Publishers.
- ❖ Recommended: *The Economist*, *Wall street Journal* and/or <http://www.bloomberg.com>

Grading:

Your letter grade will be based on *Two Exams* (800 points) and *Announced Quizzes* (200 pts). The following grade scale applies:

≥900	=	A
800-899	=	B
700-799	=	C
600-699	=	D
≤559	=	F

Attendance Policy:

There won't be grade allotted to attendance; however, the in class quizzes and any extra credit work require your presence- no make-up will be given if you miss them. Moreover, a significant

part of Exams and quizzes will be drawn from class discussions and activities. If you miss class, ask your classmates for notes. Consult the schedule in the syllabus to see what we are to cover each day.

Exam or Quiz Make-up Policy:

NO MAKE-UP EXAMS will be given without a properly documented medical emergency or business excuses arranged with the instructor *in advance*. All Exam dates are posted on this syllabus so mark your calendar! Quizzes cannot be made up for any reason; however, **one** of your lowest quiz grade will automatically be dropped to compensate for this stringent policy.

Accommodations for Students with Disabilities:

Contact the ADA Center and/or let me know the 1st week of classes if you need accommodations.

Policy on Academic Dishonesty:

I strictly apply university's policy on academic dishonesty. It is your responsibility to read the policy at <http://provost.uark.edu/245.php>.

Classroom Etiquette:

To furnish good learning environment, be courteous. No late coming, side-talking or exiting the room during lectures, reading other stuff and cell phones (including texting). Because they are abused and are distracting, **no computers are allowed, sorry.**

Inclement Weather Policy:

The University's Inclement Weather Policy can be found at <http://emergency.uark.edu/13520.php>. Basically, the University's policy is to remain open in all weather conditions. Please note that this policy only applies to University offices and support services and not to classes. My policy is that if Fayetteville public schools are closed due to inclement weather, then our class will not meet. I realize that some of you have a more difficult commute to the campus than do others. I leave it to your personal judgment to determine whether to attend class during inclement weather.

Schedule and Changes (Disclaimer):

The schedule at the last page of this syllabus reflects the general plan for the course; deviations, when necessary, may be made at the discretion of the instructor. The changes will be announced in class and/or via BLACKBOARD as soon as possible.

Tentative Schedule:

Dates	Lecture Content	Remark
	<i>Part I: Introduction</i>	
7/2,3	Course Policies and Introduction (Ch 1, 2)	
	<i>Part II: The Economy in the Long Run</i>	
7/5,6,9	Determination of GDP & its Components (Ch. 3) Money and Inflation (Ch. 4)	7/4- no class, Independence day
7/10,11,12	The Open Economy in the Long Run (Ch. 5)	

Unemployment (Ch. 6)

Part III: The Economy in the Short Run

7/13,16 Introduction to Business Cycles (Ch. 9)
Review (Optional)

7/17 **MIDTERM EXAM***** Ch. 1-6, and 9

7/18,19,20 AD I: Building the IS-LM Model (Ch. 10)
AD II: Applying the IS-LM Model (Ch. 11)

7/23,24,25 The Mundell-Fleming Model (Ch. 12)
Aggregate Supply and Phillips Curve (Ch. 13)

7/26,27,30 Stabilization Policy (Ch. 15)
Deficits and Debt (Ch. 16)

Part IV: The Economy in the Very Long Run

7/31 Economic Growth Theory I (Ch. 7)

8/1 Economic Growth Theory II (Ch. 8)

8/2 Review (Optional)

8/3 FINAL EXAM 25% Old material, 75% New Material

*** Unless otherwise stated, all exams are administered in the same room and time as that of the lecture.