

Economics 101: Intermediate Macroeconomic Theory

Professor Bergin, Fall 2002
MWF 9:30-10:50 AM, 115 Wellman
Office Hours: Monday and Friday 2:15-3:45 PM, 1141 SSH

Objectives: This course is designed to familiarize students with the tools of modern macroeconomic theory at the intermediate undergraduate level. Models are developed to explain how output, unemployment and inflation are determined. These models then are used to analyze monetary and fiscal policies.

Prerequisites: ECN 1A, 1B and Math 16A or 21A or their equivalents with a grade of C- or better. The course does use calculus and significant algebra.

Text: *Macroeconomics*, Mankiw, 5th edition. (**New Edition**)

Web Page: For lecture outlines, copies of homework problems and solutions, due dates, and old exams see: <http://www.econ.ucdavis.edu/faculty/bergin/ECON101>

Outline of Topics:

Section 1: The Economy in the Long Run

Basic concepts (chapters 1 & 2)
National income (chapter 3)
Economic growth (chapter 7 and parts of 8)
Unemployment (chapter 6)
Money and inflation (chapter 4)

Section 2: The Economy in the Short Run

Economic fluctuations (chapter 9)
Aggregate demand (chapters 10 & 11)
Aggregate supply (chapter 13)
Stabilization Policy (chapter 14)

Section 3: Microeconomic Foundations of Macroeconomics (as time permits)

Consumption (chapter 16)
Government debt (chapter 15)
Investment (chapter 17)
The open economy (chapters 5 & 12)
Real business cycle theory (chapter 19)

Evaluation: The course grade will be based on two midterm exams and a comprehensive final exam. The final score will be computed as whichever of the following is highest:

1)	30% Midterm 1	+	30% Midterm 2	+	40% Final
2)	30% Midterm 1			+	70% Final
3)			30% Midterm 2	+	70% Final

Exams are scheduled for the following dates. No makeup exams will be given.

Midterm 1	October 23
Midterm 2	November 13
Final	Friday December 13, 4:00-6:00 PM, 115 Wellman

There will also be approximately 7 homework assignments, designed specifically to prepare you for the exams. These will be collected and recorded but not graded; solution keys will be made

available. **For every two homeworks missing or late, the final grade will be dropped one step** (for example, from B to B-).

(9/14/02)