

# **Intermediate Macroeconomic Theory**

Dirk Bethmann

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## **Course Requirements and Syllabus**

**Instructor:** Prof. Dr. Dirk Bethmann,

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### **Course Introduction**

Macroeconomics is the study of the overall performance of an economy. It addresses issues such as long-run economic growth, short-run economic fluctuations, inflation, unemployment, and the effects of monetary and fiscal policy. This course will present macroeconomic models and discuss their implications for contemporary macroeconomic issues. In particular, we will develop simple mathematical models and use them to explain macroeconomic phenomena.

At the end of this course, we should have a solid understanding of macroeconomic theory and methods. We should be able to have a broad understanding of the unique perspective taken by macroeconomists in their study of society and human behavior. Also, we should be able to understand the macroeconomic methodology and how it is applied to real world problems.

**All classes are taught online.**

### **Required Text (you may also refer to other macroeconomic textbooks)**

Charles I. Jones, Macroeconomics 3rd edition, ISBN: 9780393923902

### **Grading Policy (applicable to all students)**

There will be one midterm and one final exam (both in English) with equal weights (45%). During the course of the semester, one take-home assignment will be given out. The take-home assignment will include detailed instructions as well as a due-date and will be worth 10%.

## **Class Policy**

Experience shows that regular class attendance significantly improves success in this course. Therefore, I expect students to come to every class on time and well prepared. Absent students are responsible for catching-up with the material covered in class at their own discretion.

## **Schedule (Subject to Revisions)**

### **Part 1: Preliminaries**

Chapter 1 Introduction to Macroeconomics

Chapter 2 Measuring the Macroeconomy

### **Part 2: The Long Run**

Chapter 3 An Overview of Long-Run Economic Growth

Chapter 4 A Model of Production

Chapter 5 The Solow Growth Model

Chapter 6 Growth and Ideas

Chapter 7 The Labor Market, Wages, and Unemployment

Chapter 8 Inflation

### **Part 3: The Short Run**

Chapter 9 An Overview of the Short-Run Model

*Chapter 10 The Great Recession: A First Look*

Chapter 11 The IS Curve

Chapter 12 Monetary Policy and the Phillips Curve

Chapter 13 Stabilization Policy and the AS/AD Framework

Chapter 14 The Great Recession and the Short-Run Model

Chapter 15 DSGE Models—The Frontier of Business Cycle Research