

ECO 3203: INTERMEDIATE MACROECONOMICS

Sankalp Mathur

University of Florida, Fall 2022

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Class Hours: T/R 1:55 - 3:50 PM

Class Room: MAT 114

Office Hours: T/R 4:00 - 5:30 PM

Office : MAT 341 B

Course Description

The economic decisions made by the households, firms, the government, and the financial institutions interact with each other in a complex way. The objective of this course is to take a step back and look at the bigger picture, the "macroeconomy". The coursework is designed to introduce modeling techniques to discern the interplay of these economic agents. The course intends to ground our understanding of the interaction between aggregate economic variables like the inflation rate, the growth rate, the unemployment rate, the interest rates, the tax rate, etc, and the economic-political relationship between them. We will study why certain countries are rich and some are not. Towards the end, we will study how the government can use fiscal and monetary policy tools to stabilize the economy when faced with adverse shocks.

Required Materials

- Mankiw, N. Gregory Macroeconomics, 11th edition published by Worth Publishers (ISBN-13: 978-1-319-26390-4). Lectured will be mostly based on this textbook.

Prerequisites

Principles of Macroeconomics (ECO 2013), Principles of Microeconomics (ECO 2023), and an introductory calculus course (MAC 2233 or higher level course).

Class Modality

This is a fully in-person course. Lectures will not be streamed nor recorded. All midterm exams will take place in person, during our scheduled class times.

Student Evaluations

The final course grade is determined by your performance on three in-class exams (25% each), four homework assignments (5% each), and class attendance and participation (5%).

Grading Scale

The scale listed below is firm and final grades will not be rounded.

- A | 92.00 – 100
- A- | 90.00 – 91.99
- B+ | 88.00 – 89.99
- B | 82.00 – 87.99
- B- | 80.00 – 81.99
- C+ | 78.00 – 79.99
- C | 72.00 – 77.99
- D+ | 68.00 – 69.99
- D | 62.00 – 67.99
- D- | 60.00 – 61.99
- E | 0 – 59.99

The above grading policies are consistent with UF policies regarding grade determination. This information can be found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Exams

There are three exams in this course, each accounting for 25% weight in the final evaluations. The exams will be in-class, in-person, closed-book and in our regular class-room. The exam will be a mix of multiple choice questions and subjective questions. You are allowed to use a four-function calculators during the exam. The exam dates and the syllabus are

1. **Exam 1: Sep 29 (Thursday):** Chapters 1-4,5 and 7
2. **Exam 2: Oct 20 (Thursday):** Chapters 8-10
3. **Exam 3: Dec 6 (Thursday):** Chapters 11-13,15

Make-Up Exam

Make-up assignments and exams will be arranged only for absences that are explicitly covered by the [UF Attendance Policy](#). Whenever possible, you should reach out at least five business days in advance to arrange a make-up assignment or exam. Of course, this will not always be possible. Unforeseen absences and emergencies occur and can be excused without such advance notice. In most cases, you will be asked to provide evidence or documentation of an absence that is explicitly excused by the UF Attendance Policy. Absences related to religious holidays and worship do not require this documentation.

Homework Assignments

There are four homework assignments in this course, each accounting for 5% of your final grade. These assignments are due at the beginning of the class period. You are encouraged to work with your classmates while completing these assignments. However, you must turn in your own work. Submitting a classmate's work as your own is a violation of the [UF Student Honor Code](#). Assignments are subject to the make-up policy described above. Late assignments (even a few minutes late) will only be accepted if you have an excused absence. In the case of expected absences, arrangements should be made at least five days in advance. Importantly, this policy means that you must arrive to class on time whenever an assignment is due. The due dates for the assignments are

1. **Assignment 1: Sep 8 (Thursday)**
2. **Assignment 2: Sep 22 (Thursday)**
3. **Assignment 3: Nov 10 (Thursday)**
4. **Assignment 4: Nov 29 (Tuesday)**

Professionalism and Honor Code

Students are bound to not cheat or plagiarize, and are bound by The Honor Pledge which states, *"We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honor and integrity by abiding by the Honor Code. On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: 'On my honor, I have neither given nor received unauthorized aid in doing this assignment.'"*

You should familiarize yourself with the UF Student Honor Code. Cheating and plagiarism are not the only violations of this policy. Importantly, ignorance of a policy is not a valid reason for violating it.

Students Requiring Accommodations

Students with disabilities requesting accommodations should first register with the Disabilities Resource Center (392-8565; <https://disability.ufl.edu/>), providing appropriate documentation. Once registered, students will receive an accommodation letter that can be presented to the instructor when requesting accommodations. Please register at the beginning of the course if seeking accommodations.

Course Evaluation

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Students will be notified when the evaluation period opens, and can complete evaluations through the email they receive from GatorEvals, in their Canvas course menu under GatorEvals, or via ufl.bluera.com/ufl/.

Health Counseling and Emergencies

- *U Matter, We Care*: If you or a friend is in distress, please contact umatter@ufl.edu or 352-392-1575 so that a team member can reach out to the student.
- Counseling and Wellness Center <http://www.counseling.ufl.edu/cwc>, and 392-1575; and the University Police Department: 392-1111 or 9-1-1 for emergencies.
- *Sexual Assault Recovery Services (SARS)*: Student Health Care Center, 392-1161.
- University Police Department at 392-1111 (or 9-1-1 for emergencies), or <http://www.police.ufl.edu/>.

Class Schedule

The schedule is tentative and subject to change. We will cover four modules. Each module introduces you to the theory to model the economy and understand the inter-linkages between macro-variables under different time horizons. We will cover the classical theory, the growth theory and the business-cycle theory. Each exam will test on the material that was taught up until 1 week prior to the exam. The applications in the later half of the semester tend to build on the concepts in the first half of the semester though, so it is still important to at least review those concepts throughout the semester.

Module 1 - Introduction

- R, Aug 25: Syllabus and Introduction
- T, Aug 30: The Science of Macroeconomics (Chapter 1)
- R, Sep 1: The Data of Macroeconomics (Chapter 2)
- **R, Sep 8: Assignment 1 Due**

Module 2 - Classical Theory: The Economy in the Long Run

- T-R, Sep 6-8: National Income (Chapter 3)
- T, Sep 13: The Monetary System (Chapter 4)
- R-R, Sep 15-22: Inflation and Unemployment (Chapter 5 and 7)
- **R, Sep 22: Assignment 2 Due**
- T, Sep 27: Exam 1 Review
- **R, Sep 29: EXAM 1**

Module 3 - Growth Theory: The Economy in the Very Long Run

- T-R, Oct 4-6: Solow Model, Capital Accumulation (Chapter 8)
- T, Oct 11: Population Growth and Technological Progress (Chapter 9)
- R, Oct 13: Growth Empirics and Policy
- T, Oct 18: Exam 2 Review and Practice Problems
- **R, Oct 20: EXAM 2**

Module 4 - Business Cycle Theory: The Economy in the Short Run

- T-R, Oct 25-27: Economic Fluctuations (Chapter 11)
- T-R, Nov 1-3: Aggregate Demand I (Chapter 12)

- **R, Nov 10: Assignment 3 due**
 - T-T, Nov 8-15: Aggregate Demand II (Chapter 13)
 - R-T, Nov 17-22: Aggregate Supply (Chapter 15)
 - **T, Nov 29: Assignment 4 due**
 - Nov 29: Review
 - Dec 2: Review
 - **R, Dec 6: EXAM 3**
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