

Econ 132a: Intermediate Macroeconomic Theory (Honors)
Spring, 2004 (Tu Th 11:00–12:15, Gardner Hall 106)

Michael K. Salemi

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COURSE CREDIT RULE: Students may **not receive credit** for both Econ 132 and Econ 130.

COURSE GOALS

By the end of the course students should be able to:

1. Explain what a macro model is and what it is used for.
2. Demonstrate mastery of concepts including long- and short-run, structure and reduced form, exogenous and endogenous, partial and general equilibrium analysis, voluntary and involuntary unemployment, static and dynamic models, rational expectations, and consistent and inconsistent monetary policy.
3. Use models developed in the course to predict the effect of exogenous shocks on endogenous variables.
4. Demonstrate a knowledge of key macroeconomic facts including important data-based facts that describe recent macroeconomic performance of the U.S.
5. Use important microeconomic concepts such as opportunity cost, marginal analysis, relative prices, maximization, partial equilibrium, and general equilibrium to discuss and, in some cases derive, the structural equations that comprise the macro model.
6. Use concepts learned in this course to interpret economic readings and discuss current economic issues.
7. Demonstrate the ability to obtain and interpret macro economic data using course concepts and models.

EXAM DATES

February 26	Midterm Examination
April 27(noon)	Final Examination

HOMEWORK

There will be five graded homework assignments. Due dates are listed on the course calendar. Students may work together but each must submit his/her own homework. Some homework assignments will require students to work with Microsoft Excel. Homework may be graded by an assistant. Students may have their homework grades reviewed by submitting a note to Professor Salemi that explains why a review is warranted.

GRADES

There are 100 possible points in the course: Midterm 30, Final 30, Problem Sets 30, Pop Quizzes, 10. The final exam covers the whole course. Course grades are based on total points. There is a penalty for late problem sets.

COURSE RESOURCES

Text: Mankiw, N. Gregory, Macroeconomics, Fifth Edition, Worth Publishing, 2000.
Articles: We will discuss several articles. Copies and discussion questions will be provided.

ATTENDANCE AND POP QUIZZES

Because class discussion is an important part of this course, **very regular attendance** is expected of every student. Pop quizzes will be given at the instructor's discretion. Students who are routinely absent from class will be expected to drop the course.