

Mercer University

Stetson School of Business and Economics

FALL 2007
Stetson Hall Room 265

ECN 303.001: Intermediate Macroeconomic Theory
Tuesday & Thursday 10:50-12:05PM

SEAN MULHOLLAND
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The Stetson School of Business and Economics (SSBE) promotes the advancement and integration of quality business education and practice. In support of Mercer University's mission, the School provides undergraduate and graduate programs that are designed to enable, enhance, and expand professional careers, civic responsibility, and lifelong learning.

Text: Robert E. Hall & David H. Papell. *Macroeconomics: Economic Growth, Fluctuations, and Policy*. Sixth Edition

Course Description: The field of macroeconomics seeks to answer two fundamental questions:

- (1) Why do some economies grow while others do not?
- (2) What are the possible sources of economic fluctuations?

This course builds upon previous knowledge about how macroeconomists measure and analyze economic activity. Throughout our adventure, we will define, measure, and discuss the strengths and weaknesses of various economic indicators, such as output, consumption, unemployment, wages, inflation, and interest rates in order to understand how economists gauge economic activity. We will also discuss how various government policies, such as taxes, tariffs, and the money supply, affect the growth and fluctuations of modern market economies.

- Objectives:
- 1. Develop an understanding of theories of the macroeconomic environment in an open economy;
 - 2. Discuss the different policy options available to policymakers trying to manage national and international economies;
 - 3. Discuss the characteristics of economic fluctuations and growth;
 - 4. Examine the structure and role of fiscal and monetary policy in stabilizing the international economy;
 - 5. Explain why global macroeconomic policy is relevant for those of us with far more local concerns.

Prerequisites: ECN 150 & ECN 151 or consent of instructor

Office Hours: You are encouraged to ask questions during and after class. If you want to speak with me at length or need assistance, I am available in my office (Stetson Hall 232) during my office hours (M: 7:40-8:15PM & T: 2-3:30PM) and by appointment. Set up an appointment by calling (478.301.2836) or emailing (preferred) me. I will work around your schedule.

Celebrations of Learning: There will be two in-term Celebrations of Learning and one Ultimate Celebration of Learning. The weights are as follows:

CELEBRATIONS OF LEARNING WEIGHTS:

Celebration of Learning Number 1	15%
Celebration of Learning Number 2	25%
Celebration of Learning Number 3	25%
Ultimate Celebration of Learning	35%

Celebrations of Learning: These Celebrations will consist of multiple-choice, short answer, and essay questions. The Ultimate Celebration will be cumulative and comprehensive, with emphasis on the material presented after the previous Celebration.

Grading: Academic regulations and procedures as found in the *Mercer University Catalog* govern all grading and academic policies. Because each class and assignment is unique, the grading scale may vary. Below is a rough idea of the expected scale:

85 - 100 = As 70 - 84 = Bs 55 - 69 = Cs 45 - 54 = Ds < 45 = Fs

The top five-point portion of each letter grade interval (three-point for Ds) will be given a plus. The actual grading scale will be determined at the end of the semester.

Grade Appeals: Any course grade dispute must be initiated in accordance with University and School policies.

Attendance: If I plan to give a worthless lecture, I will cancel class. Attendance is not required, though highly recommended. If you are consistently absent from class without sufficient reason, you sacrifice your office hours privileges. Initially, I will take role as an inexpensive way to learn your names. If I am late, please wait 10 minutes before leaving the classroom. Please switch all phones and pagers to vibrate. If you are late, minimize your disturbance.

Students with Disabilities: As a Faculty member at Mercer University I will make every reasonable effort to accommodate the unique and special needs of students with respect to speech, hearing, vision, seating, or other possible disabilities. Students with a documented disability should inform me at the close of the first class meeting. I will refer you to the office of Student Support Services (SSS) for consultation regarding evaluation, documentation of your disability, and recommendations for accommodation, if needed. Students will receive from SSS the *Faculty Accommodation Form*. On this form SSS will identify reasonable accommodations for this class. The form must be signed by me and then returned to SSS. To take full advantage of disability services, it is recommended that students contact the Office of Student Support Services, immediately. The office is located on the third floor of the Connell Student Center. For further information please contact Carole Burrowbridge, Disability Services Coordinator, at 301-2778 or visit the website at http://www.mercer.edu/stu_support/swd.htm.

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Academic Integrity: Academic dishonesty will be treated per the stated regulations. All suspected violations of the University Honor Code will be forwarded to the Honor Council. It is your responsibility to ensure that you are not in conflict with the stated regulations.

I reserve the right to make adjustments to the syllabus at any time during the course.

NOTE 1: All chapter numbers refer to Chapters in Hall and Papell.

NOTE 2: Reading assignments may be changed at any time. I will announce any changes in class or via email.

NOTE 3: Celebrations of Learning dates are shown in boldface, thus: **Sep. 11, Oct. 18, and Nov. 15**

Week	Readings	Topics
21-Aug	1, 2	Intro; Macroeconomic Performance; GDP
	2	Savings; Investment; Inflation
28-Aug	2,3, Notes	Labor Force; Employment; Wages
	3	Unemployment
4-Sep	3; (p.91-92)	Labor Supply and Demand; Okun's Law
	1-3; (p.91-92); Notes	Conclusion and Review
11-Sep	1-3; (p.91-92); Notes	CELEBRATION #1
	4	Determinants of Growth; Production Functions; Full and Potential GDP
18-Sep	4	Malthusian Stagnation; Solow Growth; Savings and Balanced Growth
	5	Growth Accounting; Exogenous Growth; Endogenous Growth
25-Sep	5	Endogenous Growth; Policies to Stimulate Growth
	5	Neoclassical Growth; Productivity
2-Oct	6	Convergence and Divergence; Steady State Growth
	6; Notes	Augmented Solow
9-Oct		FALL BREAK
	6	Geography, Institutions, and Growth
16-Oct	4-6; Notes	Conclusion and Review
	4-6; Notes	CELEBRATION #2
23-Oct	7	Off the Growth Path; Balance of Income and Spending
	7	Consumption Function; Multiplier; Balance Spending Open Economy
	(p189-96; p212-5);	Interest Rates; Supply and Demand For Money; Short-Run Output and
30-Oct	Notes	Unemployment
	9	Price Adjustment (Phillips Curve); Economy Shocks and Responses
6-Nov	9	Fiscal Policy; Monetary Policy
	13; Notes	Spending; Taxes; Budget Deficit
13-Nov	14; Notes	Monetary Policy
	All to Date	CELEBRATION #3
20-Nov		SOUTHERN ECONOMIC ASSOCIATION MEETINGS (NO CLASS)
		THANKSGIVING BREAK
27-Nov	16	Taylor Rule; Macro Policy Curve
	17	General Principles of Macroeconomic Policy
4-Dec	17	General Principles of Macroeconomic Policy
	All To Date	Review for Ultimate Celebration of Learning
10-Dec	All To Date	ULTIMATE CELEBRATION OF LEARNING (Monday 9AM-12PM)