Economics 372  
Fall 2008
Intermediate Macroeconomic Theory

Instructor: Dr. Benjamin Widner     Course: Econ 372
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Office Hours: T-Th, 10:15am – 11:45 am or by appointment

Purpose: The purpose of this course is to provide you with an understanding of macroeconomic problems and the macroeconomic theory used to understand those problems. The problems include inflation, unemployment, the business cycle, long-run economic growth and the impact of world trade on the domestic economy. The course is also concerned with the role of government in addressing these problems through monetary and fiscal policy.

Objectives: The objectives of the course include acquainting you with: (1) the uses and abuses of macroeconomic data, (2) the role of economic theory in understanding economic issues and forecasting economic behavior, (3) the causes and consequences of short-run economic fluctuations and long-run economic growth, and (4) the role of government in the macroeconomy. By the end of the class, you should be able to describe the state of the macroeconomy and analyze the consequences of economic policy actions from several perspectives.

TEXT: Gregory Mankiw, Macroeconomics, sixth Edition. This book is also available on CD-ROM.

WebCT Grades and other important class information such as any schedule changes, review questions, on-line quizzes, and links to important web sites will be maintained on WebCT. It is required that each student registered in this course log onto their MyWebCT account at least once during the first week of class. Each student can access his or her grades at any time during the semester.

Grading: Final course grades will be determined on the basis of the following scale:

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<th>Percent of total Points</th>
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<tr>
<td>90 or above</td>
<td>A</td>
<td>60 to 69</td>
<td>D</td>
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<tr>
<td>80 to 89</td>
<td>B</td>
<td>below 60</td>
<td>F</td>
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<tr>
<td>70 to 79</td>
<td>C</td>
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Three hour exams (dates below) will count 100 points each. A comprehensive final exam can replace your lowest hour exam score. Homework assignments and quizzes will generally count for ten points each. Quizzes will always be announced in advance. The last two quizzes will be make-up quizzes. Late homework assignments will be penalized. You can generally count on a quiz or homework assignment occurring once a week. Although attendance is not taken on a daily basis, bonus points for attendance on particular days may be assigned.

Exam dates:

Exam 1          Tuesday, September 23
Exam 2          Tuesday, October 28
Exam 3          Thursday, November 20
FINAL           Thursday, December 11, 08:00 am to 10:00 am.

Take a careful look at all dates listed above. Please enroll in this class only if you can reconcile them with your travel plans and other commitments.
THE PURCHASE OF AIRLINE TICKETS OR OTHER TRAVEL ARRANGEMENTS IS NOT AN ACCEPTABLE EXCUSE FOR MISSING AN EXAM!

For students taking the course on an S/U basis, a grade of at least C is required to obtain an S. AEEC students taking this course to remove a deficiency must obtain a grade of B or better to have the deficiency removed.

Students with disabilities: If you need accommodation of a disability, please contact Services for Students with Disabilities at 646-6840.

Make-up exam policy: (1) Make-up exams are strongly discouraged. (2) Make-up exams will be given for official university excused absences and serious medical or other emergencies. (3) Arrangements must be made seven days in advance for “official university excused absences.”

Course Outline and Reading Assignments: exact dates announced in class!!
1. The Science of Macroeconomics Ch 1
2. The Data of Macroeconomics, Ch 2
3. National Income, Where it Comes from, Where it goes Ch 3
4. Money and Inflation, Ch 4
   **EXAM 1 ABOUT HERE
5. The Open Economy, Ch 5
6. Unemployment, Ch 6
7. Economic Growth: Chs 7, Ch 7 and 8
   ** exam 2 about here
9. Introduction to economic fluctuations, Ch 9
10. Aggregate demand: the IS-LM model, chs 10 and 11
12. Aggregate Supply, ch 13
13. Stabilization policy, Ch 14
   ** exam 3 about here
14. Government debt and deficits, Ch 15
15. What we know and what we don’t.
** depending on class progress

How to do well in this course

1. Class attendance is extremely important. Attend on a regular basis. More important is what you do with your class time. See below
2. Prepare yourself for class by reviewing the material (your notes and reading assignments) from the previous class period. Simply knowing what the three or four most important items, ideas, or concepts from the previous class were is a great starting point.
3. Ask questions. If you don’t understand something ask. Do this now, not later.
4. Read the textbook! Mankiw does a good job of explaining each concept and why it is important.
5. You should be able to answer the following for each concept presented.
   i. What is the concept?
   ii. Why is this concept important?
   iii. How does this concept relate to other concepts?
   iv. How does this concept help us understand macroeconomic issues?
   v. Are there policy implications of this concept? If so, what are they?
   vi. Is this concept more or less universally accepted or is it controversial? Why?
6. Do not wait to get help. There is little I can do to help you the day before an exam.
7. Study now. It is not very likely that you will successfully learn new material the night before an exam.