



## ECON 1210: Macroeconomics

2023 Summer Session	
<b>Total Class Sessions: 25</b> <b>Class Sessions Per Week: 5</b> <b>Total Weeks: 5</b> <b>Class Session Length (Minutes): 145</b> <b>Credit Hours: 4</b>	<b>Instructor: Staff</b> <b>Classroom: TBA</b> <b>Office Hours: TBA</b> <b>Language: English</b>

### Course Description:

Macroeconomics studies economy as a whole. The topics discussed in this course include: major issues confronting the American economy; the nature of our private enterprise system; the role of government and the influence of the banking system; the problem of controlling inflation and deflation; money creation, government spending, and taxation; economic policies for full employment and price stability; and international trade and payments.

### Course Materials:

*Principles of Macroeconomics*, N Gregory Mankiw, 9<sup>th</sup> edition.

### Course Format and Requirements:

Participation is not graded. However, participation is highly valued and to encourage participation this course has the following policy. A student's grade can be increased if he or she is at the margin and does have been active in class discussions. Such grade increases due to participation are not negotiable.

### Course Assignments:

#### **Quizzes:**

There will be 6 quizzes in all. The 4 highest scores (out of the 6 scores) will count towards the 20% of the final grade. No make-up quiz will be offered.

#### **Midterm Exam:**

The two midterm exams will be based on concepts covered in class. They will be in-class, close-book and non-cumulative. No alternate arrangements will be made.

#### **Final Exam:**

The final will be cumulative and close-book. Note that the final will not be taken during the normal class times. Exact time and location for final will be announced later.  
Note: All exams and quizzes are closed-books. Cheat sheets are not allowed. The only device allowed in quizzes and exams is a calculator. No other device (e.g. laptop or cell phone) is allowed.

**Course Assessment:**

Quizzes	20%
Midterm Exam 1	25%
Midterm Exam 2	25%
Final Exam	30%
<b>Total</b>	<b>100%</b>

**Grading Scale (percentage):**

A+	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
98-	93-	90-	88-	83-	80-	78-	73-	70-	68-	63-	60-	<60
100	97	92	89	87	82	79	77	72	69	67	62	

**Academic Integrity:**

Students are encouraged to study together, and to discuss lecture topics with one another, but all other work should be completed independently.

Students are expected to adhere to the standards of academic honesty and integrity that are described in the Chengdu University of Technology's *Academic Conduct Code*. Any work suspected of violating the standards of the *Academic Conduct Code* will be reported to the Dean's Office. Penalties for violating the *Academic Conduct Code* may include dismissal from the program. All students have an individual responsibility to know and understand the provisions of the *Academic Conduct Code*.

**Special Needs or Assistance:**

Please contact the Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material. Our goal is to help you learn, not to penalize you for issues which mask your learning.

**Course Schedule:**

Class 1:

Course Outline

Ten Principles of Economics

Class 2:

Basic Macroeconomic Variables

Economic Growth

Business Cycles

Class 3:



Interdependence and gains from trade  
Markets, Supply and Demand  
Measuring a Nation's income:  
Definition and Measurement of GDP

Class 4:  
Quiz 1  
Measuring a Nation's income:  
Product-Expenditure-Income Approach to Measuring GDP  
GDP vs. Utility and Welfare

Class 5:  
Measuring a Nation's income:  
Consumption (Durable, Non-Durable, Services)  
Investment (Business, Residential, Inventories)  
Government Spending  
Exports and Imports

Class 6:  
Quiz 2  
Measuring a Nation's income:  
GDP vs. GNP  
Depreciation  
Measuring the cost of living:  
Labor Share of Income  
Wages by Skill, Inequality

Class 7:  
Measuring Unemployment:  
Unemployment Rate  
Employment-Population Ratio  
Natural Rate of Unemployment, Cyclical  
Frictional and Structural Unemployment

Class 8:  
Midterm Exam 1

Class 9:  
Consumption and Savings:  
Budget Constraints with Perfect Capital Markets  
Consumption Smoothing  
Consumption Function  
Substitution and Income/Wealth Effects

Class 10:



Consumption and Savings:  
Interest Rate Shocks  
Permanent vs. Temporary Income Shocks  
Housing Wealth  
Credit Constraints  
Interest Rate Spreads

Class 11:  
Quiz 3  
Consumption and Savings:  
Borrowing Constraints  
Housing Price Drops and Collaterals  
Investment:  
Firm's Capital Choice  
User Cost of Capital, Investment Demand Function  
Interest Rates and Investment,

Class 12:  
Investment :  
Shifts of the Investment Curve  
Stock Market  
Residential Investment  
Housing Prices: 2007-2009 Housing Price Collapse

Class 13:  
The Monetary System:  
Definition of Money  
Central Banks  
Money Supply Creation  
Bank's Reserves-Deposits  
Public's Currency-Deposits

Class 14:  
Quiz 4  
The Monetary System:  
Money Multiplier  
Money Supply during the Great Depression and the Great Recession  
Money Demand  
Quantity Theory of Money  
Money Growth and Inflation:  
Inflation in the Long-Run  
Monetary Policy Toolbox,

Class 15:  
Money Growth and Inflation:



Effective and Target Fed Funds Rate  
Market for Reserves  
Interests on Reserves Fed's Balance Sheet during Great Recession  
Quantitative Easing  
Unconventional Monetary Policies

Class 16:

Quiz 5

Aggregate Demand and Supply:

The AD Curve

Construction of AD

Slope of AD, Inflation vs. Output Fluctuations

Shifts of AD, Costs of Inflation

Costs of Disinflation

Class 17:

Aggregate Demand and Supply:

Aggregate Supply Curve

Sticky Wages, Sticky Prices and Monopolistic Competition

Imperfect Information

Short-Run Aggregate Supply (SRAS), Slope of SRAS and Shifts of SRAS, Inflationary Expectation

Class 18:

Aggregate Demand and Supply:

The AD/AS Framework

Equilibrium

Exercise and Review

Class 19:

Midterm Exam 2

Class 20:

Influence of Monetary Policy and Fiscal Policy on Aggregate Demand

Fiscal Multiplier

Fiscal Policy in the Long Run

Consumption Crowd Out

Fiscal Policy in the Short Run

Class 21:

Keynesian Multiplier

Deficit vs. Taxes

Fiscal Policy with Borrowing Constraints

Class 22:



Quiz 6

Short-run trade-off between inflation and unemployment

The Big Picture: Different Economic Perspective

Class 23:

Movie Treat:

Inside Job/Frontline Documentary on the Great Recession

Class 24:

The Great Recession

Six Debates over Macroeconomic Policy

Class 25:

Summary of the semester

Review for final

Final Exam (Cumulative): TBA