

ECON 3040 INTERMEDIATE MACROECONOMICS I (3 credit hours)

Elmira College

SPRING 2025

Required Text:

Olivier Blanchard, *Macroeconomics*, 8th edition, Pearson.

Supplemental readings might be included to illustrate or expand on textbook readings.

Pre-requisites: ECON 1080 Introduction to Macroeconomics

Course Description

Intermediate Macroeconomics I delves into the core concepts and models essential for understanding the functioning of modern economies. The course covers the short-run, medium-run, and long-run behavior of aggregate economies, focusing on output, unemployment, inflation, and growth. It introduces students to analytical tools and macroeconomic frameworks to evaluate economic performance, policy decisions, and global economic interconnections. Real-world applications are emphasized to foster a comprehensive understanding of macroeconomic theories and their implications.

Course Objectives and Goals

- Understand and apply key macroeconomic models to analyze economic performance and policy outcomes.
- Examine the relationships between output, inflation, and unemployment in both closed and open economies.
- Analyze the effectiveness of fiscal and monetary policies in stabilizing economies.
- Develop a deeper understanding of long-term economic growth and its determinants.
- Apply theoretical frameworks to assess current macroeconomic challenges and policy debates.

Evaluation of Performance

Your grade will be based upon your performance on exams, assignments, and participation.

4 Homework	20%
2 Quizzes	20%
Midterm Exam	30%
Final Exam	30%
Total	100%

Grades will be assigned as follows:

A 93% and above	B- 80 - 82%	D+ 67 - 69%
A- 90 - 92%	C+ 77 - 79%	D 63 - 66%
B+ 87 - 89%	C 73 - 76%	D- 60 - 62%

B 83 - 86% C- 70 - 72% F 59% or below

Withdrawal Policy: Please see Elmira College Bulletin for information on this policy.

Academic Honesty: Please read the section on Academic Honesty in the [Code of Conduct](#). Briefly, academic dishonesty includes: cheating, fabrication, facilitating academic dishonesty, and plagiarism. Ask if you have any questions on whether something constitutes as academic dishonesty. All work must be original and new. Past assignments from current or other courses will not be accepted. Academic dishonesty will not be tolerated. It will result in zero on the assignment, and a report will be filed with the school. Continued practice will result in failure of the class. Institutional penalties may also apply with repeated acts of academic honesty.

Student Responsibility:

- It is your responsibility to keep track of assignments and due dates.
- You should ask questions concerning assignments and lectures, if you need any clarifications.
- If you are struggling in class, have concerns, and/or unsure about expectations, please stop by during office hours or make an appointment for another time.

Tentative Schedule of Topics

<u>Topic</u>	<u>Materials</u>	<u>Tasks & Evaluations</u>
Introduction to Macroeconomics and Key Indicators	Chapter 1	
Output, Unemployment, and the Inflation Rate: Okun's Law and the Phillips Curve	Chapter 2	
The Short Run: The Goods Market	Chapter 3	Homework 1
The Composition of GDP	Chapter 4	
The Determination of Equilibrium Output	Chapter 5	
Investment Equals Saving: An Alternative Way of Thinking about Goods-Market Equilibrium	Chapter 6	Homework 2
The Demand for Money	Chapter 7	
Determining the Interest Rate	Chapter 8	Quiz 1
Goods and Financial Markets: The IS-LM Model	Chapter 9	
Nominal versus Real Interest Rates	Chapter 10	Midterm Exam
Risk and Risk Premia	Chapter 11	
The Medium Run: The Labor Market	Chapter 12	
Movements in Unemployment	Chapter 13	Homework 3
Wage- and Price-Setting Relations versus Labor Supply and Labor Demand	Chapter 14	
The Phillips Curve, the Natural Rate of Unemployment, and Inflation	Chapter 15	
Fiscal Consolidation Revisited	Chapter 16	Homework 4
The Long Run: The Facts of Growth	Chapter 17	
Saving, Capital Accumulation, and Output	Chapter 18	
Technological Progress and Growth	Chapter 19	Quiz 2
The Increase in Wage Inequality	Chapter 20	Final Exam