

# Intermediate Macroeconomics

Instructor: Dillon Tauzin

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Office Hours: Mon & Tues 1-2pm

(or by appointment)

Office location: Buchanan Hall D101

MW: 9am-10:15am

Classroom: R B220

Spring 2020

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Macroeconomics is concerned with the “big” questions in economics. Adam Smith’s seminal question was a macroeconomic question: Why are some nations rich and others poor?

Macroeconomics is a conversation with little consensus. Unlike microeconomics, which enjoys general agreement about its fundamental concepts, macroeconomics is diverse in approach. What *is* agreed upon is that macroeconomic phenomena like growth, inflation, and employment are based in human decision-making. The complexity of macroeconomic phenomena has led economists to use simplified models. These models are useful and necessary for making sense of an entangled world.

The first half of this course will establish the major aggregate concepts in macroeconomics and their foundations in human decision-making. The second half will use these concepts to explore alternative explanations of growth and business cycles. Throughout, the art of using models in economic science will be emphasized. You should understand the assumptions underlying each model, and the limitations of alternative explanations. At the end of the course, you should be capable of comprehending and participating in the grand macroeconomic conversation, which traces back to Adam Smith (1776).

In this course, you will develop an understanding of

- the major concepts of macroeconomics and their microeconomic foundations;
- the importance and limitations of various models in analyzing macroeconomic phenomena;
- the major existing explanations for two of the most important macroeconomic phenomena: growth and business cycles; and
- the development of the macroeconomic conversation over the course of its intellectual history.

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## Texts

### Required:

(M): Mankiw, N. G. (2015) *Macroeconomics* 9<sup>th</sup> edition. New York: Worth Publishers.

Other readings will be made available through Blackboard.

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## Assessment

The grade distribution is as follows.

20% Book Review  
20% Participation  
20% Problem sets  
20% Midterm exam  
20% Final exam

Grades are assigned according to the following scale.

A	90-100
B	80-89.9
C	70-79.9
D	60-69.9
F	< 60

Tests will be based primarily on lecture material, but the student is responsible for any assigned reading. Several graded problem sets will be given throughout the semester to encourage consistent practice with the material. The participation grade will be based on a combination of attendance, class engagement, and regular review questions. If circumstances require missing a lesson, I strongly recommend making use of office hours to keep up with the material. Finally, the student is required to read a book on some macroeconomic topic and turn in a short review. Details about this assignment will be given in class.

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## Schedule\*

Units	Date	Topics	Readings	Assignments
0	Jan 22	Syllabus	Syllabus	
1	Jan 27	Macroeconomics	MCh1	
2	Jan 29	Stylized Facts of Macroeconomics	MCh2	
3	Feb 3	National Income	MCh3	
4	Feb 5	Consumer Theory	MCh16	
5	Feb 10	Investment	MCh17	<b>Problem set #1 due</b>
6	Feb 12	Money	Menger "On the Origins of Money" MCh4	
7	Feb 17	Inflation	MCh5	
8	Feb 19	International Trade	MCh6	
9	Feb 24	Unemployment	MCh7	<b>Problem set #2 due</b>
10	Feb 26	Review		
11	Mar 2	Review	Review	
12	Mar 4	<b>Midterm Exam</b>		
	Mar 9	Spring Break		
	Mar 11	Spring Break		
14	Mar 16	Growth: Classical	MCh3, Smith WoN Bk1 Ch3	
15	Mar 18	Growth: Solow	MCh8	
16	Mar 23	Growth: Solow	MCh9	

17	Mar 25	Growth: Solow, Endogenous, Institutions	-MCh9, -Acemoglu et al "The Colonial Origins of Comparative Development," -Sala-i-Martin "I Just Ran Two Million Regressions"	
18	Mar 30	BC: IS/LM	MCh10	<b>Problem set #3 due</b>
19	Apr 1	BC: IS/LM	MCh11, MCh12	
	Apr 6	NO CLASS		
20	Apr 8	BC: IS/LM, M-F	MCh13,	
21	Apr 13	BC: Monetarist	-Yeager "A Cash-Balance Interpretation"	
22	Apr 15	BC: Austrian	-Boettke "Austrian School of Economics"	
24	Apr 20	BC: Austrian	-Garrison "Time and Money,"	<b>Problem set #4 due</b>
25	Apr 22	BC: Austrian	-“The House Uncle Sam Built”	
26	Apr 27	Book discussions		
27	Apr 29	Review	Review	
28	May 4	Review	Review	<b>Book Review due</b>
	May 11	Final Exam		

\*This schedule is a road map for our class, and it is subject to revision as the class progresses.

## Policies

- Last day to add classes: January 28
- Last day to drop with no tuition penalty: February 5
- Final drop deadline w/ 50% tuition penalty: February 11
- Student Self-Withdrawal Period: February 12 to February 24

Students are responsible for regularly checking their GMU email accounts. Any announcements not made in class will be delivered here.

The final exam will take place on Monday 5/11 at 7:30am in accordance with the university calendar. No make-up exams will be given except under extreme circumstances. In accordance with university policy, if you have three or more exams on the date of the final examination, you may reschedule it. To do so, you must contact me no less than one week prior to the final exam date.

*If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Resources at 703.993.2474. All academic accommodations must be arranged through that office.*

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. *Cheating, plagiarism, lying, and stealing are all prohibited. All violations of the Honor Code will be reported to the Honor Committee.*

George Mason University is committed to providing a learning, living and working environment that is free from discrimination and a campus that is free of sexual misconduct and other acts of interpersonal violence in order to promote community well-being and student success. We encourage students who believe that they have been sexually harassed, assaulted or subjected to sexual misconduct to seek assistance and support. [University Policy 1202: Sexual Harassment and Misconduct](#) speaks to the specifics of Mason's process, the resources, and the options available to students.

*As a faculty member and designated "Responsible Employee," I am required to report all disclosures of sexual assault, interpersonal violence, and stalking to Mason's [Title IX Coordinator](#) per [university policy 1412](#). If you wish to speak with someone confidentially, please contact the [Student Support and Advocacy Center](#) (703-380-1434) or [Counseling and Psychological Services](#) (703-993-2380). You may also seek assistance from [Mason's Title IX Coordinator](#) (703-993-8730; [titleix@gmu.edu](mailto:titleix@gmu.edu)).*