

ECON 311
Intermediate Macroeconomics

Prof. Giorgio Primiceri
Department of Economics
Northwestern University
Fall quarter 2019

1. Contact Information

Giorgio Primiceri
Office: KGH 3431
Email: g-primiceri@northwestern.edu
Office hours: Monday, 1:45-3:15pm

Jose Alvarado
Office: KGH 3420
Email: josealvarado2023@u.northwestern.edu
Office hours: Wednesday, 3:00-5:00pm

Riccardo Bianchi-Vimercati
Office: KGH 3198
Email: rbianchiv@u.northwestern.edu
Office hours: Wednesday, 9-11am

Emre Enes Yavuz
Office: KGH 3198
Email: emreyavuz2023@u.northwestern.edu
Office hours: Tuesday, 3:30-5:30pm

2. Class time and location

- Lectures: Tuesday and Thursday @ 2pm, Tech Institute, Lecture Room 3
- TA sessions

Section	TA	Time	Location
21 & 25	Bianchi-Vimercati	M 3:00pm	FSL 2407
22 & 26	Bianchi-Vimercati	W 3:00pm	TCH L150
23	Alvarado	M 4:00pm	TCH L150
24	Yavuz	W 4:00pm	LCY 111

3. Webpage

Material (syllabus, homeworks etc...) for this course will be posted on *Canvas*

4. General Description

The subjects of this course are the causes of growth and business cycles. The course begins with a review of national income accounting and elementary income determination. We then analyze the critical determinants of growth and address the issue of what, if anything, can be done to encourage poor economies to develop. We then study the determinants of modern business cycles, unemployment and inflation. After developing an analytic framework to analyze these phenomena, we examine the role and consequences of monetary and fiscal policy.

5. Prerequisites

Prerequisites for this course are ECON 201 and 202

6. Textbook

The required textbook is: *Macroeconomics*, 10th edition, by N. Gregory Mankiw (Worth publishers). There is an associated website which includes useful review materials and some practice: google "Macmillan Mankiw 10th"

7. Evaluation

The final grade will be based on problem sets (10%), two midterm exams and a final exam (90%).

- **Your exam total will be based on the "highest three" exams, where the final exam counts double: If you do well on your final, it will count for 60% while your best midterm will count for 30%; If you do poorly on the final, then each of the three exams will count for 30%. This means that you can simply not show up for a midterm, although this is a risky strategy that I do not advise. However, if something comes up, it will be up to you to decide whether missing a midterm is worth it.**

- There are no “make-up” exams.

The **first midterm** exam is scheduled for **Thursday, OCTOBER 17**, at 2pm, in the usual classroom.

The **second midterm** exam is scheduled for **Thursday, NOVEMBER 7**, at 2pm, in the usual classroom.

The **final exam** is scheduled for **Friday, DECEMBER 13**, from 12 to 2pm, in the usual classroom.

The final exam will be cumulative (in the sense that it will include questions on the material covered during the entire course).

8. Homeworks

- Problem sets will be an important part of the class because exams will be based on them. There will be approximately 5/6 problem sets.
- The due date and time will be specified on the first page of every assignment. NO EXCEPTIONS will be made with respect to that.
- **All assignments should be prepared in teams of up to 3 members. Every team can turn in just one copy of the assignment. Teamwork is an important part of the learning process. Each student can organize or join a team. A student is encouraged to stay with it for the duration of the course.**
- **To receive full credit for the problem set, you only need to show a legitimate attempt to solve the problem (we will then provide detailed solutions for each assignment.)**

9. Outline of the course (to be refined as we proceed)

- Introduction – Overview – Definitions (Ch. 1 and 2)
- The determinants of the production and distribution of national income (ch. 3)
- The determinants of aggregate demand: consumption and investment (Ch. 3)
- Equilibrium in the long run (Ch. 3)
- The long run: Economic growth and the Solow model (ch. 8 and 9)
- The long run: Money and Inflation (ch. 4 (pp. 79-85) and ch. 5)
- Business cycles I (ch. 10 (pp. 275-281), 11 and 12)
- Business cycles II: aggregate demand and supply (ch. 12 and 14)