Econ 82B -- Macroeconomic Theory  
Summer 2016 (Session I)  

Course Syllabus  
(Preliminary and subject to change)

Course Description
The course serves as an introduction to the concepts and measurements of economic aggregates, such as: national income, consumption, investment, and economy-wide variables such as interest rates, exchange rates, inflation, and the unemployment rate. We will model the determinates of these variables and study the effect of fiscal and monetary policies on these aggregates.

Learning Goals
In this course you are expected to learn the following:

(a) How the availability of capital and labor affect a country’s standard of living.
(b) How technological progress results in economic growth and higher living standards.
(c) The key determinates of unemployment and inflation in the long run.
(d) How government policy affects unemployment and inflation in the short run.
(e) How to analyze all these questions using rigorous, mathematical models.

Course Instructor
Professor:
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Office Hours: Monday/Tuesday/Thursday 10:50-11:30am and by appointment.

Prerequisites
Two semesters of introductory economics (Economics 2a or 10a and 20a) are required to take this course. Knowledge of calculus at the level of Math 10a is also required. Every student taking Econ 82b must have either: (a) completed Math 10a with a grade of C- or better, or (b) scored at least 4 on the AP Mathematics AB test or at least 3 on the AP Mathematics BC test, or (c) passed a placement exam which the economics department administers at the beginning of each semester. No one may take this course unless all the prerequisites are satisfied. While the course instructors can refresh memories on the prerequisite materials, we will not serve as a substitute for the prerequisites.

Class Organization
Class time: Monday/ Tuesday/Thursday 8:30-10:50am 
Class location: TBD
**Recommended Readings**


You are highly recommended to read the required materials BEFORE class. Doing so will make the lectures more profitable.

**Coursework and Grading**

Class Participation and Problem Sets (30%): Attendance at lectures is required. There will be 2 problem sets. While you are permitted and indeed encouraged to discuss with other students in the class, you must write your answers independently. Handwritten solutions should be legible and neat. Assignments will be due in class. NO late assignments will be accepted.

Mid-term Exam (30%): The mid-term exam will be based on materials from the first half of the course.

Final Exam (40%): The final exam will be cumulative with a heavier leaning on the second half of the course. Please note that absence from the final exam and the right to take a make-up exam are only permissible for documented medical reasons. A student who is unable to take the final exam because of illness MUST obtain advance authorization from the Summer School office by providing appropriate documentation. There are NO EXCEPTIONS to these rules.

**Course Web Page**

The course web page will be posted on the LATTE system (http://latte.brandeis.edu). Course announcements, assignments, notes, and handouts will be posted on this page.

**Laptops and Cell Phones**

The use of cell phones in class is NOT allowed. Please turn your cell phone or put it on silent/vibrate during lectures. Laptops may not be used without the instructor's permission.

**Academic Integrity**

You are expected to be familiar with and to follow the University's policies on academic integrity (http://www.brandeis.edu/studentlife/sdc/ai). Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judicial System. Potential sanctions include failure in the course and suspension from the University.

**Special Accommodations**

If you are a student who needs academic accommodations because of a documented disability, please contact me and present your letter of accommodation as soon as possible.

Visiting students who have questions about documenting a disability or requesting academic accommodations, should contact Gwenn Smaxwill, Summer School Director (x63424 or smaxwill@brandeis.edu).
Letters of accommodation should be presented at the start of the semester to ensure provision of accommodations. Accommodations cannot be granted retroactively.

**Supplementary Readings**

Additional readings from the popular press may be distributed and discussed throughout the course. You are also encouraged to bolster your understanding of both current economic events and economic analysis by reading periodicals such as *The Economist*, *The Wall Street Journal*, and *The Financial Times*.

Many economists write blogs that will provide a nice complement to the work in this course. Some of my favorites are: Tyler Cowen and Alex Tabarrok (http://www.marginalrevolution.com/), Brad DeLong (http://delong.typepad.com/), Paul Krugman (http://krugman.blogs.nytimes.com/), Greg Mankiw (http://gregmankiw.blogspot.com/), Dani Rodrik (http://rodrik.typepad.com/), and Mark Thoma (http://economistsview.typepad.com/).

**Course Outline**

**Week 1**

- **Monday, 6/6**
  - Lecture: Introduction and the Data of Macroeconomics
  - Readings: *Macroeconomics* Ch 1 and 2
- **Tuesday, 6/7**
  - Lecture: The Data of Macroeconomics and National Income
  - Readings: *Macroeconomics* Ch 2 and 3
- **Thursday, 6/9**
  - Lecture: National Income
  - Readings: *Macroeconomics* Ch 3

**Week 2**

- **Monday, 6/13**
  - Lecture: Economic Growth I
  - Readings: *Macroeconomics* Ch 8
  - Assignments: Problem Set 1 available.
- **Tuesday, 6/14**
  - Lecture: Economic Growth I and Economic Growth II
  - Readings: *Macroeconomics* Ch 8 and 9
- **Thursday, 6/16**
  - Lecture: Economic Growth II
  - Readings: *Macroeconomics* Ch 9

**Week 3**

- **Monday, 6/20**
  - Lecture: Money and Inflation
  - Readings: *Macroeconomics* Ch 4 & 5
  - Assignments: Problem Set 1 Due.
- **Tuesday, 6/21**
  - **MIDTERM EXAM IN CLASS**
Thursday, 6/23
Lecture: The Open Economy
Readings: *Macroeconomics* Ch 6

**Week 4**
Monday, 6/27
Lecture: Unemployment
Readings: *Macroeconomics* Ch 7
Assignments: Problem Set 2 available.
Tuesday, 6/28
Lecture: Introduction to Economic Fluctuations
Readings: *Macroeconomics* Ch 10
Thursday, 6/30
Lecture: Aggregate Demand I: Building the IS-LM Model
Readings: *Macroeconomics* Ch 11

**Week 5**
Tuesday, 7/5
Lecture: Aggregate Demand II: Applying the IS-LM Model
Readings: *Macroeconomics* Ch 12
Assignments: Problem Set 2 Due.
Wednesday, 7/6 (Brandeis Monday)
Lecture: Aggregate Supply and the Short-run Tradeoff Between Inflation and Unemployment
Readings: *Macroeconomics* Ch 14
Thursday, 7/7
**FINAL EXAM: TBD**