

Econ420 – Intermediate Macroeconomics

Prof. Lutz Hendricks – UNC – Spring 2010

Course web site: <http://www.lhendricks.org>. Contains contact info, office hours, class times, exam dates, course outline, slides, etc.

Course objective: Econ420 is the second course in macroeconomics. Its main objective is to develop a framework for thinking about macroeconomic questions.

It is quite common for people to be confused about important policy questions. The political debate abounds with misunderstandings and with patently false claims. One example: Most people believe that foreign competition and outsourcing to low wage countries cost U.S. jobs. Hardly any educated economists hold this belief. The reason is that economists understand the general equilibrium effects of shocks that affect the economy. The main goal of this course is to teach students how to think correctly about how macro variables interact.

Economies are complex systems. To understand them, it is necessary to write down **models**. Models need not be mathematical; they could be computational. But in this course, since we want to develop an understanding how macro variables interact, the models will be mathematical.

Prerequisites: Students must have taken Intermediate Microeconomics. It is essential to have a basic familiarity with equations, functions, and graphs. Basic calculus (derivatives) will be needed. Students should work through the math review problems posted on the course web site as soon as possible.

Grading: Grades will be based on three equally weighted **exams**. For each student, the two highest scores each account for 40% of the grade. The lowest score accounts for the remaining 20%. If a student misses an exam *for a good reason*, both exams accounts for half of the grade. **There are no make-up exams.**

Each exam focuses on the material covered since the last exam. However, as new material builds on previously covered material, anything covered in the course up to the date of the exam is fair game.

Feedback: You can help improve this course by letting me know what you like and what you don't like. Drop me an e-mail or come to my office. Feel free to suggest topics you would like to discuss in class.

Policies: Please be on time when coming to class. Turn off your cell phones.

Special consideration: Students will not be granted special consideration if they have attempted a piece of assessment and then ask for special consideration. Unless it is impossible for you to do so, you must contact your lecturer before the assessment is due if you expect to miss an assessment task. Failure to do this will weaken your case.