INTERMEDIATE MACROECONOMICS: Econ 3123, Section 001  
Spring 2013  
12:30 pm – 1:45 pm, Tuesday & Thursday  
Room 200, Denny Building

Professor Benjamin Russo  
Phone: (704) 687-7617  
Office Hours:  
  Tuesday, 2:00–4:15 pm  
  Thursday, 2:00–3:15 pm  
or by appointment

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COURSE OBJECTIVES and DESCRIPTION

Macroeconomics studies determination of prices, quantities, and government policy at the aggregate (that is, national) level. The important aggregate quantities are real Gross Domestic Product (that is, real national income), the standard of living, employment and unemployment, and the balance of trade. The important aggregate prices are the price level, the interest rate, the wage rate, and the foreign exchange rate. Macroeconomic policy includes monetary and fiscal policy. Monetary policy refers to financial regulation and the central bank's control of both the nominal interest rate and the availability of credit in the banking system. Fiscal policy refers to the government's control of taxes, government spending, the foreign exchange rate, and foreign trade policy. Most of the course will be devoted to developing macro theory that explains the determination of the levels and growth rates of these aggregates. We will spend considerable time studying ways that macro policy affects these aggregate variables.

TEXTBOOK and READINGS

Textbook: 8th edition of *Macroeconomics* by Mankiw, Worth Publishers  
Optional:  
Student Guide and Workbook, by Kaufman, Worth Publishers. The student guide is optional. You may benefit as much from "EconPortal" (see below).

And:
There will be occasional required readings from financial and economic media (the *Wall Street Journal*, *Business Week*, etc.), which are available on the Atkins Library's website. I will announce these readings, from time-to-time, during the spring semester. Information provided by occasional readings is fair game for tests.

The new, 8th edition, of Mankiw’s textbook can be purchased at the Campus Bookstore in one of four formats:

1) hardcover text with "EconPortal," for $187.70 (see below for a description of EconPortal)  
2) hardcover text *without* EconPortal, for $187.70  
3) loose-leaf text with EconPortal, for $116.55  
4) stand-alone EconPortal without hardcover or loose-leaf text, for $85.85.

EconPortal is an electronic resource that includes an electronic copy of the text. It also includes a study guide; self-tests and self-assessment; links to online information relevant to text material; a data plotter; flashcards, etc. You may benefit from these features. However, EconPortal is not required for success in this course. I will teach the course in a manner that does not require EconPortal. You can be successful in this class without using EconPortal.

Keep the following in mind: first, if you are comfortable using only an electronic version of the text, format 4) has everything you need. Second, if you choose format 2) over format 1), you are not optimizing and you’re probably in the wrong class. If you want to go online to learn more about the different textbook formats, before getting online at the Campus Bookstore, see Macmillan Higher Education's website (www.macmillanhighered.com) or Worth Publisher’s website.

**Save money on the text:**

1) Gray's Bookstore probably charges less than the Campus Bookstore, but may carry only the stand-alone hardcover format.
2) Because the 8th edition is brand new, you’re unlikely to find a used copy. However, with some effort you can be successful in this class using a used copy of the 7th edition, as long as you consult the 8th edition where the two differ. I have tried to make it easier for you to do this by placing hardcopies of the 8th edition on reserve in the Atkins Library. The biggest difference between the two editions is that Chapter 4 in the 7th edition has been split into two chapters in the 8th, Chapters 4 and 5. Both of these new chapters in the 8th edition include new material that we will cover. Because of the additional new chapter in the 8th edition, each chapter number in the 7th edition after Chapter 5 is one numeral lower than in the 8th edition: For example, Chapter 5 in the 7th edition is Chapter 6 in the 8th edition; Chapter 6 in the 7th edition is Chapter 7 in the 8th, etc. There is one important exception, namely Chapter 16 in the 7th edition is Chapter 19 in the 8th edition. You can be sure you are reading the correct chapter in the 7th edition by consulting the list of reading assignments below, which indicates how chapters correspond in the two editions.

3) The 7th edition does not provide access to EconPortal.

**GRADING**

There will be two mid-terms exams, worth 100 points each, and a comprehensive final exam worth 100 points. I will drop the lower mid-term test grade, if you have taken both mid-terms (but only if dropping one improves your course grade). There will not be mid-term make-ups. If you miss one mid-term, that will count as your dropped test. You cannot miss both midterms and receive a passing grade in this course. The comprehensive final exam is required. If you miss the regularly scheduled final exam (schedule below), you must take an all essay make-up final. This never is a good idea.

Students arriving late for a test will be permitted to sit for the test only if no student has turned in a paper before the late arrival: Under no circumstances will a student arriving later be permitted into the test room. Students arriving late for a test receive no extra time. Under no circumstances will a student who leaves the test room during a test period be permitted to reenter, so plan your activities accordingly.

There will be a few ungraded homeworks. The homeworks will be designed to prepare you for exams.

**Tentative** test schedule:

1st midterm exam, Thursday, February 14
2nd midterm exam, Tuesday, April 2
Final exam, Thursday, May 9, 11:00 am to 1:30 pm

Course letter grade assignment:

A – 89.5% or higher; B – 79.5%-89.49%; C – 69.5%-79.49%; D – 59.5%-69.49%; F – Below 59.5%

**CELL PHONES & OTHER NOISY STUFF**

Ringing cell phones are distracting. Common courtesy requires that, before class begins, you turn off anything that electronically emits sounds.

**ATTENDANCE**

Students who attend class regularly are more successful than students who do not. Students are responsible for class notes and requirements for this class. If you must miss a class, obtain the class notes, and other missed information, from a fellow student. I will not provide the missing information.

**CHAPTER READING ASSIGNMENTS**

The schedule is tentative. It may be revised during the semester in order to cover newly developing macroeconomic issues and events, or because of unanticipated constraints. Therefore, some topics may not be covered, and additional topics may be added.
PART I – Introduction
Chapter 1, The Science of Macroeconomics
Chapter 2, The Data of Macroeconomics

PART II – Classical Theory: The Economy in the Long Run
Chapter 3, National Income: Where It Comes from and Where It Goes
Chapter 4, The Monetary System: What it is and How it Works
Chapter 5, Inflation: Causes, Effects, … (we will not cover the full chapter: read pp. 101-113)

**Chapter 4, Money and Inflation, in the 7th edition.
Chapter 5, Inflation: Causes, Effects, … (we will not cover the full chapter: read pp. 101-113)

**Chapter 4, Money and Inflation, in the 7th edition.

PART III – Growth Theory: The Economy in the VERY Long Run
Chapter 8, Economic Growth I: Capital Accumulation and Population Growth

**Chapter 7, Economic Growth, in the 8th edition.
PART IV – Business Cycle Theory: The Economy in the Short Run
Chapter 7, Unemployment (we will not cover the full chapter: read pp. 177-188)

**Chapter 6, Unemployment, in the 7th edition (read pp. 163-175).
Chapter 10, Introduction to Economic Fluctuations

**Chapter 9, Introduction to Economic Fluctuations, in the 7th edition.

PART V – Macroeconomic Policy Debates
Chapter 14, Aggregate Supply and the Short-Run Trade Off Between Inflation & Unemployment

**Chapter 13, AS & Short-Run Trade Off, Inflation, Unemployment, in the 7th edition

PART V – Macroeconomic Policy Debates
Chapter 19, Government Debt and Budget Deficits

**Chapter 16, Government Debt and Budget Deficits, in the 7th edition.

ACADEMIC INTEGRITY
Students have the responsibility to know and observe the requirements of the UNCC Code of Student Academic Integrity. The Code forbids cheating, fabrication, falsification, multiple submission of academic work, plagiarism, abuse of academic materials, and complicity in academic dishonesty. Academic evaluation in this course includes a judgment that the student's work is free from academic dishonesty of any type; grades should be and will be adversely affected by academic dishonesty. Students violating the Code can be expelled from UNCC. The normal penalty for a first offense is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases the course grade is reduced to F. Students are expected to report cases of academic dishonesty to the course instructor.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.