

**Economics 305: Intermediate Macroeconomic Theory
Spring 2024**

Section 26088: Tuesday & Thursday, 2:00-3:20pm

Location: KAP 156

Professor: Thomas Chaney (thomas.chaney@usc.edu)

Office Hours: TBA

Office: Kaprielian Hall 364B

Teaching Assistants: TBA

TA Office Hours: TBA

Course Description

This course introduces students to dynamic macroeconomic theory and its applications to policy. The course will cover the following topics: measurement of macroeconomic variables, growth theory, monetary economics, international macroeconomics, and the role of the financial system in the macroeconomy. We will also discuss the implications of macroeconomic theory for fiscal and monetary policy.

The course will meet for lectures twice weekly. In addition, there will be some discussion/review sessions run by the TA. Readings will be assigned to complement the lectures, both from the required textbook and from other sources. These readings will include news stories related to macroeconomics. They will be announced in class, via the class website, or via email.

Prerequisite(s): Econ 203,205; Either Math 118 or Math 125

Grading and Exams

There will be two exams: a midterm and a final. The midterm exam will be held in class. The final exam will cover material from the entire course. For the date and time of the final for this class, consult the USC *Schedule of Classes* at www.usc.edu/soc. In addition, there will be several graded individual assignments assigned during the semester, with one due approximately every two weeks (they can be submitted either in class or via blackboard). The lowest score on a homework assignment will be dropped for each student. There will also be class discussions that students are expected to participate in. The grading breakdown is as follows:

Item	% of Grade
Midterm Exam	30%
Final Exam	45%
Assignments	20%
Participation	5%

Website

There will be a class website on the blackboard system, which will contain the syllabus, problem sets, and a schedule of readings.

Required Readings and Supplementary Materials

The required textbook for the course is *Macroeconomics, 10th Edition* (ISBN-13: 9781319105990) by N. Gregory Mankiw. Readings from other sources will be assigned in class or communicated via email/the class website.

Technological Proficiency and Hardware/Software Required

Some homework assignments will require the use of Microsoft Excel. USC students can download Microsoft Office (which includes Excel) at: <https://itservices.usc.edu/officestudents/>

Course Outline:

Below is an outline of the topics which will be covered in the course, along with the corresponding textbook chapters. Additional readings will be assigned in class. A more detailed calendar with readings and assignment due dates will be available on blackboard.

- I. Basic Concepts in Macroeconomics: GDP, Unemployment, Price Level, Inflation
 - Topics: Questions in macroeconomics, measurement of macroeconomic variables, components of aggregate supply and demand, unemployment
 - Chapters 1,2,3,7 of the textbook
 - Weeks 1 & 2 of the semester
- II. Growth Theory
 - Topics: Solow Model, Investment, Technological Progress
 - Chapters 8 & 9 of the textbook
 - Weeks 3 & 4 of the semester
- III. Monetary Economics and Short Run Dynamics
 - Topics: The Monetary System, inflation, economic fluctuations, IS-LM model, more advanced models of macroeconomic dynamics
 - Chapters 4,5,10,11,12,14,15 of the textbook
 - Weeks 5-10 of the semester
- IV. Government Policy
 - Topics: Taxation and monetary policy
 - Chapters 18 & 19 of the textbook
 - Week 11 of the semester
- V. International Macroeconomics
 - Topics: International flow of capital and goods, open-economy macroeconomics, exchange rates, Mundell-Fleming model
 - Chapters 6, 14 of the textbook
 - Weeks 12 & 13 of the semester
- VI. Financial Macroeconomics
 - Topics: The role of the financial system and the 2007-2009 financial crisis
 - Chapter 20 of the textbook
 - Weeks 14 & 15 of the semester

Statement on Academic Conduct and Support Systems

Academic Conduct

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage sarc@usc.edu describes reporting options and other resources.

Support Systems

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students. *The Office of Disability Services* and *Programs* http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu/> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.