

Economics 110B - Macroeconomics
Spring 2013
MWF 10:00 - 10:50 am, Solis Hall 104

Instructor:

Maria Teresa Cândido
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Teaching Assistants

Heea Jung
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Mon 4:00-5:00 pm (SH 227)

Gonzalo Valdes
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Fri 1:00-2:00 pm (SH 225)

Aaron Fronk
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Tue 11am-12:30 pm (SH 139)

Chim Lau
Office Hours: chimlau@ucsd.edu
Wed 11:30am-12:30 pm (Econ 122)

Discussion Sections

Friday 8:00 – 8:50 am, Center Hall 212
Friday 9:00 – 9:50 am, Center Hall 212

Economics 110B
Macroeconomics

Course Description

This course is a continuation of Economics 110A, and will build upon the models presented in that class. We will extend the basic IS-LM model to examine how expectations affect the performance of the economy. We will then discuss how the rest of the world affects the domestic economy. Finally, we will look at causes and cures for economic depressions and slumps. The prerequisite for Economics 110B is Economics 110A.

Course Textbooks

Required Textbook: “Macroeconomics” by Olivier Blanchard, 2nd custom edition for UCSD. We will be covering chapters 14-22 and time permitting, chapters 24 to 26.

Strongly Recommended: Student Study Guide by David Findlay.

Course Web Page and Podcast

A course web page is available at <http://ted.ucsd.edu>

It will include information relevant to the course, such as announcements, practice problem sets and tests, solutions, to end of chapter problems, syllabus, schedule and more. You should check this page regularly.

Audio podcasts of our class lectures will be available at <http://podcast.ucsd.edu>

Lectures and Discussion Sections

Class attendance is an individual student responsibility. Frequent absences may adversely affect class performance. If you should miss a class, it is your responsibility to get the notes and any information provided in class. There are weekly discussion sections for this course. They are not mandatory. However, you should attend them since the TAs will go over practice problems, the kind of problems you may encounter on exams. The first discussion section will take place April 5th.

Course Readings

The reading assignment for our course is outlined in the tentative class schedule below. Lectures will focus on the more difficult material in the readings, but you will be responsible for all of the material in each chapter. You will get more out of this class if you read the required chapters prior to each lecture.

Grading

40% Midterm Exam

60% Final Exam

The midterm examination is scheduled to **Wednesday, May 8th, from 8:00 to 9:20 pm, in Warren Lecture Hall 2001**. The final exam will take place on **Monday, June 10th** from 8:00 am to 11:00 am and will be cumulative. The dates for the exams are not negotiable. There are no make up exams. If you miss the midterm for a justifiable and verifiable medical/legal reason, your midterm grade will be your grade on the final. Otherwise you will receive a zero, no exceptions!! You must take the final exam to receive a grade in this course.

Excuses for missed midterms must be pre-approved by the instructor (except when this is not possible in an emergency situation). Students who make initial contact after the exam will have to document why they could not make contact prior to the exam. In addition, a student who misses an exam due to physical illness will be required to provide documentation from a health care professional indicating why the student was physically unable to take the exam. All documentation and an additional signed written statement explaining the relevant circumstances of the absence must be provided to the instructor within two working days of the student's return to campus. Failure to comply with any of the above in the specified manner will result in a grade of zero for the midterm.

The overall course grade, computed using the weights specified above, will be curved. In general, the class average corresponds to the lowest B-.

Academic Integrity

Students are expected to do their own work, as outlined in the UCSD policy on Academic Integrity. Cheating will not be tolerated, and any student who engages in suspicious conduct will be confronted and subjected to the disciplinary process. Students found guilty of academic dishonesty will earn a failing grade for the course. In addition, the Council of Deans of Student Affairs will impose a disciplinary penalty.

Tentative Schedule (exams dates will not change)

| Date | Number of Lectures | Topic | Textbook Chapters |
|--|--------------------|---|---------------------|
| Apr 1 st – Apr 12 th (Apr 5th canceled) | 5 | Class Introduction Expectations: The Basic Tools | 14 |
| Apr 15 th – Apr 17 th | 2 | Financial Markets and Expectations | 15 |
| Apr 19 th – Apr 24 th | 3 | Expectations, Consumption, and Investment | 16 |
| Apr 26 ^h – May 1 st | 3 | Expectations, Output, and Policy | 17 |
| May 3 rd – May 8 th | 3 | Openness in Goods and Financial Markets | 18 |
| May 8th 8-9:20 pm | -- | MIDTERM EXAMINATION (WARREN LECTURE HALL 2001) | 14-18 |
| May 10 th – May 15 th | 3 | The Goods Market in an Open Economy | 19 |
| May 17 th – May 22 nd | 3 | Output, the Interest Rate, and the Exchange Rate | 20 |
| May 24 th | 1 | Exchange Rate Regimes | 21 |
| May 29 th – May 31 st | 2 | Depressions and Slumps | 22 |
| Jun 3 rd | 1 | Should Policy Makers be Restrained | 24 |
| Jun 5 th | 1 | Monetary Policy: A Summing up | 25 |
| Jun 7 th | 1 | Fiscal Policy: A Summing up | 26 |
| June 10th 8:00 am - 11:00 am | -- | FINAL EXAMINATION | 14-22, 24-26 |