

# ECO402: Intermediate Macroeconomics

## Summer 2020

University of Kentucky  
Department of Economics

<b>Course Prerequisite</b>	ECO202 or equivalent and ECO401 taken previously or permission of instructor.
<b>Instructor</b>	Monika Islam Khan
<b>Office</b>	BE 245J
<b>Email</b>	<a href="mailto:monika.khan@uky.edu">monika.khan@uky.edu</a>
<b>Office hours</b>	Tuesdays and Thursdays 11:00am-01:00pm or by appointment. <a href="#">Zoom Link</a> Password: 005153
<b>Course Website</b>	Canvas

### Course Description:

National income concepts, the determination of aggregate income and employment, the theory of money and inflation and problems of economic growth. Prereq: ECO202 or equivalent and ECO401 taken previously or permission of instructor.

### Course Text

*Macroeconomics*, by Olivier Blanchard and David Johnson, Seventh Edition, Pearson. This is available at the UK Bookstore.

### Student Learning Outcomes

After completing this course students should be able to:

1. Define macroeconomic variables such as GDP, inflation, and unemployment. They should also be able to explain the difference between nominal and real variables.
2. Use a short-run model of the macroeconomy to explain the effects of fiscal and monetary policy and output and interest rates.
3. Use a medium-run model of the macroeconomy to describe the relationship between inflation, unemployment, output, and interest rates.
4. Use a long-run model of the macroeconomy to explain the factors that determine macroeconomic growth.
5. Understand the role exchange rates and trade can play in the aforementioned models. (Time permitting)

## Grading

There will be two interim exams and a final, in addition to open-book homework assignments on Canvas. Extra problems from the text are encouraged as your exams will be predominantly extensions and modifications of these problems. Your final course grade will be determined as follows:

<b>HOMEWORK</b>	<b>20%</b>
<b>EXAM 1</b>	<b>25%</b>
<b>EXAM 2</b>	<b>25%</b>
<b>FINAL</b>	<b>30%</b>

Grading will be consistent with the typical distribution for upper division economics classes:

<b>Course Grade</b>	<b>Class Percentage</b>
A	$\geq 90\%$
B	<b>80%-89%</b>
C	<b>70%-79%</b>
D	<b>60%-69%</b>
E	<b>50%-59%</b>

All grades will be posted in myUK by the deadline established in the Academic Calendar. If a curve is necessary it will be applied at the end of the semester to final grades.

## Lectures

For this course, recorded video lectures with slides will be uploaded online on Canvas at regular intervals. In most part, this would be according to the **tentative** course schedule at the end of the syllabus. In addition, lecture notes will be uploaded to supplement the video lectures.

## Exams

There are three exams with each worth 100 points. The course material builds upon itself, so each exam may include concepts from previous exams, but in general, the exams are NOT cumulative for this semester. The exams cover material from class, the text, and any assigned outside readings. The exams will most likely consist of short-answer essay/problem questions, but could include some multiple-choice questions. The dates for the exams are:

**EXAM 1    Thursday, May 21**

**EXAM 2    Friday, May 29**

**FINAL     Tuesday, June 9**

The dates for Exams 1 and 2 are subject to change, if required. Given the online nature of the course, all exams will be online on **Canvas** using **Respondus Lockdown Browser**.

This is subject to change, if required. For the exams you will need a basic calculator, i.e. one that does basic operations and nothing more - no graphing calculators. These should be readily available for less than \$5. Calculators will also be needed for some quiz problems. You are not permitted to use a calculator that stores text.

## Make-up Exams

Make-up exams are given only for excused absences. If you miss an exam and do not receive an excused absence, you receive a zero for that exam. The make-up exam will be given soon after the missed exam and at a common time reasonably convenient to everyone involved.

## Homework on Canvas

There will be periodic homework assignments, which counts for 20% of the grade. These will be available on the Canvas website. You may be required to answer on Canvas directly or upload your file (this could be a word or PDF document or clear pictures of handwritten worked out problems) on Canvas. Grades from all homework assignments will be counted as part of your final grade. Your answers to questions must be **in your own words**. If I catch you cheating on a homework assignment, you will receive a zero on the assignment. Cheating also includes directly copying answers from solutions manuals, websites like CourseHero, or copying Wikipedia pages as answers.

## Excused Absences

The University Senate Rule on Excused Absences states that a student is entitled to an excused absence for the following reasons: serious illness; illness or death of family member; University-related trips; and major religious holidays. In each case, appropriate verification may be required. Students missing assignments due to an excused absence bear the responsibility of informing me about their excused absence within one week following the period of the excused absence (except where prior notification is required). I may confirm the authenticity of documentation used to verify excused absences.

## Accessibility

If you have a documented disability that requires academic accommodations, please see me as soon as possible during scheduled office hours. In order to receive accommodations in this course, you must provide me with a Letter of Accommodation from the Disability Resource Center (DRC). The DRC coordinates campus disability services available to students with disabilities. You can contact them by phone at (859) 257-2754 and by email at [drc@uky.edu](mailto:drc@uky.edu), visit their office on the corner of Rose Street and Huguelet Drive in the Multidisciplinary Science Building, Suite 407. The DRC web address is: <http://www.uky.edu/StudentAffairs/DisabilityResourceCenter/>.

## Technical Support

For account help, contact UK's Information Technology Customer Services online, by email, or by phone at 859-218-HELP (4357).

## Academic Integrity

Per University policy, students shall not plagiarize, cheat, or falsify or misuse academic records. Students are expected to adhere to University policy on cheating and plagiarism in all courses. The minimum penalty for a first offense is a zero on the assignment on which the offense occurred. If the offense is considered severe or the student has other academic offenses on their record, more serious penalties, up to suspension from the University may be imposed.

Plagiarism and cheating are serious breaches of academic conduct. Each student is advised to become familiar with the various forms of academic dishonesty as explained in the Code of Student Rights and Responsibilities. Complete information can be found at the following website: <http://www.uky.edu/Ombud>. A plea of ignorance is not acceptable as a defense against the charge of academic dishonesty. It is important that you review this information as all ideas borrowed from others need to be properly credited.

Senate Rules 6.3.1 (see <http://www.uky.edu/Faculty/Senate/> for the current set of Senate Rules) states that all academic work, written or otherwise, submitted by students to their instructors or other academic supervisors, is expected to be the result of their own thought, research, or self-expression. In cases where students feel unsure about a question of plagiarism involving their work, they are obliged to consult their instructors on the matter before submission.

When students submit work purporting to be their own, but which in any way borrows ideas, organization, wording, or content from another source without appropriate acknowledgement of the fact, the students are guilty of plagiarism.

Plagiarism includes reproducing someone else's work (including, but not limited to a published article, a book, a website, a computer code, or a paper from a friend) without clear attribution. Plagiarism also includes the practice of employing or allowing another person to alter or revise the work, which a student submits as his/her own, whoever that other person may be. Students may discuss assignments among themselves or with an instructor or tutor, but when the actual work is done, it must be done by the student, and the student alone. When a student's assignment involves research in outside sources or information, the student must carefully acknowledge exactly what, where, and how he/she has employed them. If the words of someone else are used, the student must put quotation marks around the passage in question and add an appropriate indication of its origin. Making simple changes while leaving the organization, content, and phraseology intact is plagiaristic. However, nothing in these Rules shall apply to those ideas, which are so generally and freely circulated as to be a part of the public domain.

Please note: Any assignment you turn in may be submitted to an electronic database to check for plagiarism.

## **Non-Discrimination and Title IX**

UK is committed to providing a safe learning, living, and working environment for all members of the University community. The University maintains a comprehensive program which protects all members from discrimination, harassment, and sexual misconduct. For complete information about UK's prohibition on discrimination and harassment on aspects such as race, color, ethnic origin, national origin, creed, religion, political belief, sex, and sexual orientation, please see the electronic version of UK's Administrative Regulation 6:1 ("Policy on Discrimination and Harassment"). In accordance with Title IX of the Education Amendments of 1972, the University prohibits discrimination and harassment on the basis of sex in academics, employment, and all of its programs and activities. Sexual misconduct is a form of sexual harassment in which one act is severe enough to create a hostile environment based on sex and is prohibited between members of the University community and shall not be tolerated. For more details, please see the electronic version of Administrative Regulations 6:2 ("Policy and Procedures for Addressing and Resolving Allegations of Sexual Assault, Stalking, Dating Violence, Domestic Violence, and Sexual Exploitation"). Complaints regarding violations of University policies on discrimination, harassment, and sexual misconduct are handled by the Office of Institutional Equity and Equal Opportunity (IEEO), which is located in 13 Main Building and can be reached by phone at (859) 257-8927. You can also visit the IEEO's website.

Faculty members are obligated to forward any report made by a student related to IEEO matters to the Office of Institutional Equity and Equal Opportunity. Students can confidentially report alleged incidences through the Violence Intervention and Prevention Center, Counseling Center, or University Health Services.

## Tentative Course Schedule

Date	Topic	Readings and Home-works Due
May 12th	Introduction to Course	Chapters 1 and 24
May 13th	Output, Unemployment, and Inflation	Chapter 2
May 13th	The Goods Market	Chapter 3
May 14th	Financial Markets	Chapter 4 and HW 1 is Due
May 15th	The IS-LM Model	Chapter 5 and HW 2 is Due
May 18th	Extensions of the IS-LM Model	Chapter 6
May 19th	The Labor Market	Chapter 7 and HW 3 is Due
May 21st	Exam 1	Chapters 1-6
May 22nd	The Phillips Curve	Chapter 8
May 22nd	IS-LM-PC Model	Chapter 9
May 25th	Growth Capital Accumulation	Chapters 10, 11 and HW 4 is Due
May 27th	Growth and Technological Progress	Chapter 12
May 29th	Exam 2	Chapters 7-11
June 2nd	Technological Progress in the Short-, Medium-, and Long-Run	Chapter 13
June 3rd	Open Economy	Chapter 17 and 18
June 4th	Output, Exchange Rate and Interest Rate	Chapter 19
June 9th	Final Exam Day	Chapters 12-13, 17-19