

**Economics 101**  
**Intermediate Macroeconomic Theory**  
SUMMER SESSION 2 2007

**Instructor:** Takeshi Yagihashi, email: tyagihashi@ucdavis.edu (office location to be announced later)

Teaching Assistant: Will Ambrosini, SSH113 email: jambrosi@ucdavis.edu

**Time and Location:**

lecture: MTW 2:10 - 3:50. Wellman 229

section: R 12:10-1:50, Olson 105 (B21), 2:10-3:50, Storer 1342 (B22)

**Office Hours (instructor):** T 4-5  
W 4-5

**Office Hours (TA):** M 11-12  
R 11-12

**Textbook:** Gregory N. Mankiw, *Macroeconomics*, 6th Edition, 2006  
Worth Publishers.

**Overview:**

This course essentially is for majors in Economics and it should provide a firm grounding for sharpening your macro-economic skills. We focus on theory of income, employment and prices under static and dynamic conditions, and long term growth.

**Prerequisites:**

You must complete Economics 1A and 1B and mathematics 16A-16B or 21A-21B with grade of C- or better in each. I also encourage students to take Economics 100 and 102 before 101 because I sometimes build on ideas developed there. This is not required, but it will make your life easier.

**Grading:**

There will be weekly assignments, a project, a midterm exam and a final. They will count toward the grade as follows.

Homework	10%
Project	10%
Midterm	30%
Final	50%.

at the end of the quarter, I will curve the class performance score so that there are 20% A's, 30% B's, 30% C's, 10% D's, and 10% F's). However, this is subject to change based on overall class performance.

**Homework:** homework will be assigned every Wednesday. The deadline for the homework is every Monday at the beginning of the class unless otherwise instructed. No late submission / groupwork is allowed. Submission *during* the class will be half points deducted. The graded homework will be returned in the section

**Project:** The project will be due on Tuesday, September 4. You can choose one topic out of three, which will be announced later. You need to type your writing more than 5 pages, double-spaced. Group work up to three person is permitted.

**Exams:** The midterm exam will be on Monday, August 20. The final exam is on Wednesday, September 12. Material includes lectures, reading assignments, homework and section material. The final will be comprehensive. The midterms and final will consist of multiple choice (need to bring scantron), short answers and essay-type questions. All exams are closed book. There will be no makeup exam so make sure you can attend the exam on those days before registration.

Any regrading request have to be submitted to the TA in writing no later than one week from the date it was returned.

Students who are officially certified for special arrangements for the midterms and the final should contact me during the first week of the class so that I can prepare in advance.

**Extra credit:** There is a maximum of five percent extra credit that is given to students who perform superb in one or all of the categories mentioned above. In addition to that, for people who are in the borderline of letter grade, we will consider in-class performance which includes class participation, attendance in section, etc. For people who are in the F-range and needs substantial improvement to pass the class, I might ask to submit extra assignment.

**Section:** Material covered in section is included in the exam as well. Section will also help you work on your project. Attendance is not required in general, but for those who are in borderline it might be considered at the end

**Academic Honesty:** Any instance of academic dishonesty for any assignment or exams will lead to a course grade of zero. The appeal process as noted in the Student Judicial Affairs office will be strictly followed. Examples of Academic Misconduct includes (from the UCD Student Judicial Affairs website):

- \* Receiving or providing unauthorized assistance on examinations
- \* Using or having unauthorized materials out during an examination
- \* Plagiarism - using materials from sources without citations
- \* Altering an exam and submitting it for re-grading
- \* Fabricating data or references
- \* Using false excuses to obtain extensions of time
- \* "Wandering eyes", talking during exams, having notes visible, or leaving the exam room without permission

Please check the SJA website <http://sja.ucdavis.edu> for detail.

### Description of the Course

By-and-large, we will follow the textbook. However I will also provide advanced examples in my lecture. You need mathematical knowledge to solve problems in the exam.

**WEEK 1 (8/6-8/8): INTRODUCTION & CLASSICAL THEORY**

Chapter 1: The Science of Macroeconomics (1/2 lecture)

Chapter 2: The Data of Macroeconomics (1/2 lecture)

Chapter 3: National Income Accounting (1 lecture)

Chapter 5: The Open Economy (1 lecture)

**WEEK 2 (8/13-15): GROWTH THEORY / BUSINESS CYCLE THEORY**

Chapter 7: Economic Growth I (1 lecture)

Chapter 8: Economic Growth II (1 lecture)

Chapter 9: Introduction to Economic Fluctuations (1 lecture)

**WEEK 3. (8/20-22): BUSINESS CYCLE THEORY continued**  
midterm (8/20)

Chapter 10: Aggregate Demand I (1 lecture)

Chapter 11: Aggregate Demand II (1 lecture)

**WEEK 4. (8/27-29): BUSINESS CYCLE THEORY continued**

Chapter 12: Aggregate Demand in The Open Economy (1 lecture)

Chapter 13: Aggregate Supply (2 lecture)

**WEEK 5. (9/3-5): MACROECONOMIC POLICY DEBATES**

no class on labor day (9/3)

Chapter 14: Stabilization Policy (1 lecture)

Chapter 15: Government Debt (1 lecture)

**WEEK 6. (9/10-12): MORE ON THE MICROECONOMICS BEHIND MACROECONOMICS**

Chapter 16: Consumption (1 lecture)

review session (9/11)

final (9/12)

**Resources:** There are lots of free study resources on the web. Here are links to some of them:

Mankiw textbook web site (<http://bcs.worthpublishers.com/mankiw6/>) : powerpoint slides, self-test quizzes and flashcards available that aids your study

Resource for Economists web site (<http://rfe.org/>) : links to data / information that helps your project