

SHANGHAI UNIVERSITY OF FINANCE AND ECONOMICS
Intermediate Macroeconomics
Spring 2023

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COURSE DESCRIPTION

This is a three-credit course. It covers 12 weeks from February 20 to May 10, and we meet every Monday (8:00-9:40) and Wednesday (15:25-17:05). Through this course, students should get familiar with the basic concepts of macroeconomics, and understand the important issues of macroeconomics, such as economic growth and fluctuation, inflation, and unemployment. Specifically, students should understand how macroeconomic variables are determined and how the major sectors of the economy interact with each other, grasp the basic operation of long-term economy and understand the basic operation of short-term economy. It is hoped that through the study of this course, students will be able to give independent judgments and evaluations on various macroeconomic policies. The prerequisite are **Calculus and Principle of Microeconomics**

TEXTS

N. Gregory Mankiw, 2019, *Macroeconomics*, 10th edition, Worth Publishers. ISBN: 9781319106058.

Other references:

1. *Macroeconomics*, 9th ed., by Andrew B. Abel, Ben Bernanke, Dean Croushore and published by Pearson. (ISBN-13: 978-0134167398, ISBN-10: 0134167392)
2. *Macroeconomics: A Modern Approach*, 1st ed., by Robert Barro and published by South-Western College Pub. (ISBN-13: 978-0324178104, ISBN-10: 0324178107)
3. *Macroeconomics*, 6th ed., by Stephen D. Williamson and published by Pearson Education. (ISBN-13: 978-0134472119, ISBN-10: 013447211X)
4. 《西方经济学》编写组, 2019, 《西方经济学》下册, 第二版, 高等教育出版社。ISBN: 9787040525540。

GRADING

Grading: Grades will be based upon five problem sets, a midterm exam, a final exam and class participation. Your grade is the weighted average of the following: Class participation (10%), Problem sets (15%), Midterm (25%), Final exam (50%).

Exams: There are a midterm and a final exam (cumulative). Midterm exam contains Chapter 2-9 and will be arranged on the 8th week. Final exam contains all chapters that you study. Other details about exams are pending.

Missing an exam: If a student misses an exam, this student will receive a zero grade for the missed exam unless the absence of this student is justified by the school policies. There is **no make-up** for the exam. If a missing is justified, the weight of the others exam will be shifted. The make-up for the final exam will only be granted if a student provides proper documents. All excused

absences require verifiable documents. Providing fake documents may result in disciplinary actions.

Regrade Policy: If a student feels that there are any errors in his or her problem sets or exam grading, contact the instructor within a week after the grades are posted. Any regrade request after the one-week window will *not* be granted. If regrading is requested by a student, *all* the questions in the problem set/exam will be regraded.

Recitation: We plan to arrange 6 recitation classes that are led by TA to discuss problem sets and midterm. Time and location to be determined.

ACADEMIC DISHONESTY

Academic dishonesty by the student code of conduct includes cheating on the assignments or exams; plagiarizing; altering; forging, or misusing a university academic record; taking, acquiring, or using test materials without faculty permission; and acting alone or in cooperation with another to enhance a grade, etc. A **minimum penalty** for academic dishonesty is a grade of zero. Other penalties may include a Fail in course and a complaint to university authorities so that they act consequently with the corresponding university policy.

COURSE OUTLINE

Part I: Introduction (6)

Chapter 1: Introduction

Chapter 2: The Data of the Macroeconomics

Part II: Classical Theory: The Economy in the Long Run (14)

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: Its Causes, Effects, and Social Costs

Chapter 6: The Open Economy

Chapter 7: Unemployment and the Labor Market

Part III: Growth Theory: The Economy in the Very Long Run (6)

Chapter 8: Economic Growth I: Capital Accumulation and Population Growth

Chapter 9: Economic Growth II: Technology, Empirics, and Policy

Part IV: Business Cycle Theory: The Economy in the Short Run (14)

Chapter 10: Introduction to Economic Fluctuations

Chapter 11: Aggregate Demand I: Building the IS-LM Model

Chapter 12: Aggregate Demand II: Applying the IS-LM Model

Chapter 13: The Open Economy Revisited: The Mundell-Fleming Model and the Exchange-Rate Regime

Chapter 14: Aggregate Supply and the Short-Run Tradeoff between Inflation and Unemployment

Part V: Topics in Macroeconomic Theory (6)

Chapter 15: A Dynamic Model of Economic Fluctuations

Chapter 16: Understanding Consumer Behavior

Chapter 17: The Theory of Investment

Part VI: Topics in Macroeconomic Policy (2)

Chapter 18: Alternative Perspectives on Stabilization Policy

Chapter 19: Government Debt and Budget Deficits

COURSE SCHEDULE

Week	Date	Topics	Chapters	Assignment
1	2/20	Introduction	1	
	2/22	Data	2	
2	2/27	Data	2	
	3/1	National Income	3	
3	3/6	National Income	3	
	3/8	Monetary System	4	Assignment 1
4	3/13	Inflation	5	
	3/15	Open Economy	6	
5	3/20	Open Economy	6	
	3/22	Unemployment	7	Assignment 2
6	3/27	Growth I: Capital Accumulation and Population Growth	8	
	3/29	Growth I: Capital Accumulation and Population Growth	8	
7	4/3	Growth II: Technology, Empirics and Policy	9	Assignment 3
	4/5	Break		
8	4/10	Midterm Exam		
	4/12	Economic Fluctuations	10	
9	4/17	Aggregate Demand I: Building the IS-LM Model	11	
	4/19	Aggregate Demand II: Applying the IS-LM Model	12	
10	4/24	Aggregate Demand II: Applying the IS-LM Model	12	Assignment 4
	4/26	The Open Economy Revisited: The Mundell–Fleming Model	13	
11	5/1	Break		
	5/3	The Open Economy Revisited: The Exchange-Rate Regime	13	
12	5/8	Aggregate Supply and the Short-Run Tradeoff Between Inflation and Unemployment	14	Assignment 5
	5/10	A Dynamic Model of Economic Fluctuations	15	
		Consumer Behavior	16	
		The Theory of Investment	17	
		Alternative Perspectives on Stabilization Policy	18-19	
	TBA	Final Exam		

NOTE

I reserve the right to change this syllabus as time and circumstances dictate. Necessary changes will be announced in class and a copy of the revised syllabus will be posted on Blackboard.

Updated on March 27, 2023.