

ECONOMICS 502.02  
INTERMEDIATE MACROECONOMIC THEORY 06813-1  
Spring, 2008  
Smith Laboratory 3094  
TR 1:30-3:10 PM

Professor Stephen McCafferty  
451 Arps Hall, 292-7122

Office Hours: TR, 12:20-1:20,  
and by appointment

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Web Site: <http://economics.sbs.ohio-state.edu/mccafferty/econ502.02/>

Textbook:

Charles I. Jones, *Macroeconomics*, W. W. Norton 2008.

Overview:

The basic aim of this course is to familiarize students with key barometers of macroeconomic activity and to enable them to understand how these magnitudes are determined. First, we will study how macroeconomic indicators are measured. Second, we will study models of economic growth which describe the long-run behavior of the economy. Last, we will study models of business cycles. Such models hope to explain deviations of the economy from its long-run path.

Mathematical Prerequisites

Students in this class are expected to have successfully taken the Math 130, 131, 132 sequence, the Math 151, 152, 153 sequence, or equivalent. These courses cover, among other topics, applications of derivatives, maxima and minima, and functions of several variables.

Grading Procedures:

The course grade will be determined primarily based on the student's performance on two midterm examinations and a final examination. The final examination will be comprehensive. Five homework sets will also be assigned and graded. Answer sheets will be posted. No points will be awarded for homework sets turned in after answers have been posted. Absence from tests and the final exam result in a grade of zero unless you supply evidence of unusual circumstances (such as illness). The instructor will be the final arbitrator of what constitutes an acceptable circumstance. There will be no make-up exams. In the event of an excused absence for an exam, the scores of the other exams will be used to prorate the score on the missing exam. Additionally, a maximum of 20 points may be awarded as a reward for the positive externalities generated by attendance and participation.

Examination Schedule:

Midterm I: Tuesday, April 15  
Midterm II: Thursday, May 8  
Final: Monday, June 2, 1:30-3:18 PM

Grading Weights:

Midterms: 100 points each.  
Final: 120 points.  
Homework Sets: 6 points each.  
Attendance: 20 points maximum.

COURSE OUTLINE

1. Introduction (Chapters 1-2)
  - The Study of Macroeconomics
  - Macroeconomic Measurements
2. Economic Growth (Chapters 3-6)
  - Mathematical Preliminaries
  - A Model of Production
  - The Solow Growth Model
  - The Romer Growth Model
3. Business Cycle Analysis (Chapters 7-12)
  - Overview of Unemployment and Inflation
  - The Short-run Model
  - The IS Curve
  - Monetary Policy and the Phillips' Curve
  - Stabilization Policy

Anyone who feels they may need an accommodation based on the impact of a disability should contact the instructor as soon as possible. I rely on the Office for Disability Services (292-3307) for assistance in verifying needs and developing accommodation strategies.

The Economics Department provides free tutoring services to students enrolled in ECON 200 and 201. The Economics Learning Center (ELC) is located in Arps 341, and is open Monday-Friday from 9:30-5:00. Other courses may be tutored when tutors have adequate experience and are available.