

**PORTLAND STATE UNIVERSITY
DEPARTMENT OF ECONOMICS
EC-473 MACROECONOMIC THEORY
SPRING 2009**

INSTRUCTOR: Olena Kostyshyna, Assistant Professor of Economics

CLASS TIME: MWF 11.30-12.35 in NH 307

OFFICE HOURS: MWF 10.15-11.15 and by appointment

FINAL EXAM: June 11, Thursday at 12.30-14.20 pm

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COURSE WEBSITE: <http://web.pdx.edu/~okostysh/econ473/>

COURSE DESCRIPTION.

This course will cover important macroeconomic topics: output, unemployment, inflation, and growth. We will study IS-LM model, AS-AD model, models of growth and the role of expectations in macroeconomics.

GRADING.

1. 4 Home assignments: 15 %
2. Midterm Exam (May 4): 35 %
3. Final Exam (June 11): 50%

REQUIRED BOOK.

Blanchard, Olivier. 2008. Macroeconomics. 5th edition. Pearson Prentice Hall.
You can buy this book at PSU Bookstore at <http://www.portlandstatebookstore.com>

This book is on RESERVE in the library.

COURSE OUTLINE. The tentative schedule of topics to be covered in this class and the relevant chapters in the book are presented in the table.

COURSE OUTLINE.

Week	Date	Chapters	Topics
Week 1	March 30	Ch. 1,2	Introduction
	April 1	Ch 3	The goods markets
	April 3	Ch 3	The goods markets
Week 2	April 6	Ch. 4	Financial markets
	April 8	Ch. 5	Goods and financial markets:
	April 10	Ch. 5	IS-LM model
Week 3	April 13	Ch. 5	IS-LM model continued
	April 15	Assignment 1 DUE	
	April 15	Ch. 5	IS-LM model continued
Week 4	April 17	Ch. 6	The labor market
	April 20	Ch. 7	AS-AD model
	April 22	Ch. 7	AS-AD model continued
Week 5	April 24	Ch. 7	AS-AD model continued
	April 27	Assignment 2 DUE	
	April 27	Ch. 7	AS-AD model continued
Week 6	April 29	Ch. 8	The natural rate of unemployment and the Phillips curve.
	May 1	Ch. 8	The natural rate of unemployment
	May 4	MIDTERM	CHAPTERS 1-7
Week 7	May 6	Ch. 9	Inflation
	May 8	Ch. 10	The facts of growth
	May 11	Ch. 11	Saving, capital accumulation, output
Week 8	May 13	Ch. 11	Saving, capital accumulation, output
	May 15	Ch. 12	Technological progress and growth
	May 18	Ch. 12	Technological progress and growth
Week 9	May 20	Ch. 14	Expectations: the basics
	May 22	Assignment 3 DUE	
	May 22	Ch. 15	Financial Markets and Expectations
Week 10	May 25	Ch. 15	Financial Markets and Expectations
	May 27	Ch. 16	Expectations, Consumption and Investment
	May 29	Ch. 17	Expectations, Output and Policy
Week 11	June 1	Ch. 17	Expectations, Output and Policy
	June 3	Ch. 17	Expectations, Output and policy
	June 3	Assignment 4 DUE	
	June 5		Review
Week 11	JUNE 11	FINAL EXAM	CUMULATIVE CH. 1-12, 14-17

ATTENDANCE. You are responsible for everything that happens in the class, including any changes made to this schedule.

All revisions of the graded work (home assignments and midterm exam) must be done within one week of its return to the students.

University policy, which calls for severe sanctions for cheating or any other form of academic dishonesty, will be enforced in this class.

Students with disabilities will be accommodated. Please, see me if you require particular resources for your education.