Intermediate Macroeconomics  
V31.0012  
Spring 2011  
New York University  

M-W, 2:00pm-3:15pm, SILV 714

Instructor: Virgiliu Midrigan  
19 W 4th St, room 715  
office hours: M, W 3:30-4:30  
(212) 992-8081  
virgiliu.midrigan@nyu.edu

Objectives

We examine the determinants of long-run growth and business cycles, as well as study inflation, unemployment, fiscal and monetary policy, and issues in international trade.

Prerequisites

V31.0001, V31.0002, V63.0121 (Calculus I)

I will assume that students are able to perform algebraic manipulations and are familiar with a) logarithmic and exponential functions, b) limits, c) derivatives, d) optimization. I will make frequent use of these tools both during lectures and exams. Be sure to review this material before the beginning of the semester.

Teaching Assistants

Daniel Barczyk (db1395@nyu.edu)  
TBA

Teaching Assistants will be responsible for conducting recitation sessions. The sessions will be devoted to reviewing the material presented during lectures and solving problems.

Textbook

Charles I. Jones Macroeconomics, Economic Crisis Update.

Quizzes and Exams

I will administer 3 quizzes, two midterms and a Final exam. All tests will consist of a combination of multiple-choice questions and quantitative/graphical exercises. The dates of these tests will be announced at the beginning of the semester.
Grading Policy

Your grade will be determined by the total number of points you accumulate on quizzes and exams. The following table summarizes the number of points assigned to each test:

<table>
<thead>
<tr>
<th>Test</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes</td>
<td>(3 x 5 points each): 15 points</td>
</tr>
<tr>
<td>Midterms</td>
<td>(2 x 25 points each): 50 points</td>
</tr>
<tr>
<td>Final</td>
<td>(35 points): 35 points</td>
</tr>
</tbody>
</table>

Total: 100 points

Make-ups

No make-ups will be administered for exams and quizzes. If you miss a test because of a medical emergency and provide the necessary documentation, your grade will be calculated based on the (appropriately weighted) average of all other tests.

My grading scheme is as follows:

- 92-100: A
- 88-91: A-
- 84-87: B+
- 80-83: B
- 76-79: B-
- 70-75: C+
- 65-69: C
- 60-64: C-
- 50-59: D
- < 50: F

After I compute a grade according to the scheme above, I will curve grades upwards based on your ranking in the course:

- Students ranked in the 85th -100th percentile will be assigned an A.
- Students ranked in the 70th-85th percentile will be assigned at least an A-
- Students ranked in the 60th-70th percentile will be assigned at least a B+
- Students ranked in the 40th-60th percentile will be assigned at least a B
- Students ranked in the 30th-40th percentile will be assigned at least a B-
- Students ranked in the 10th-30th percentile will be assigned at least a C-
- Students ranked in the 5th-10th percentile will be assigned at least a D

Thus, if you happen to score a total of 85 points, but happen to be in the top 15% of the class, you will be assigned a grade of A. The curve will not lower your grade relative to the original scheme. For example, if you happen to score a total of 85 points, but are in the 45th percentile, you will still be assigned a grade of B+.
Outline


Chapters 1 and 2

**Quiz 1** covers Chapters 1 - 2.

Part 2: Long-Run

Growth Facts (Chapter 3)
Production (Chapter 4)
Solow (Chapter 5)
Endogenous Growth (Chapter 6)

**Midterm 1** covers Chapters 1 - 6.

Part 3: Unemployment and Inflation

Labor Market (Chapter 7)
Inflation (Chapter 8)

**Quiz 2** covers Chapter 7 – 8

Part 4: Business Cycles

Business Cycle Facts (Chapter 9)
Consumption, Savings, Investment (Chapter 10)
Monetary Policy (Chapter 11)
Stabilization Policy (Chapter 12)

**Midterm 2** covers Chapter 7 – 12

Part 5: Financial Crisis

Facts about the Crisis (Chapter 13)
Modeling the Crisis (Chapter 14)

**Quiz 3** covers Chapter 13 – 14

Part 6: Applications

Government (Chapter 15)
International Trade (Chapter 16)
International Finance (Chapter 17)

**Final** covers Chapters 1-12 (30% weight) and Chapters 13-17 (70% weight)