INTERMEDIATE MACROECONOMICS in Spring 2021 (EC3020)

Course Code	EC3020	**Professor(s)**	Shahram Alijani
Prerequisites	None	**Office Number**	G-206
Class Schedule	F: 10:35-11:55 in G-009 T: 15:20-16:40 in G-009	**Office Hours**	Tuesdays 14:00-15:00 & by appointment
Credits	4	**Email**	salijani@aup.edu
Semester	Spring 2021	**Office Tel. Ext.**	567

Course Description

This course builds and expands on Principles of Macroeconomics and goes into an in-depth analysis of the main macroeconomic aggregates, economic growth, output, price and unemployment. Students will have the opportunity to familiarize themselves with advanced analytical tools used to analyze macroeconomic aggregates and models and explore a wide range of empirical evidence. A particular emphasis is placed on the use of IS-LM framework when discussing fiscal and monetary stabilization policies to cope with economic growth, inflation and unemployment. Examples are drawn from macroeconomic policies within national economic contexts.

Course Learning Outcomes

Examine the impacts of monetary and fiscal policy on macroeconomic variables.
Disscuss how policy decisions are made and its effects.
Describe the relationship between the financial sector and the real economy.
Compare and contrast different macro models and their economic outcomes.

General Education

[PLEASE REMOVE THIS SECTION IF THE COURSE DOES NOT FULFILL ANY GLACC REQUIREMENT]
GLACC
The Global Liberal Arts Core Curriculum (GLACC) degree requirements include the following categories of courses:

- Integrative Inquiry (coded CCI)
- Experiential learning (coded CCX)
- Research, Interpretation, and Writing (coded CCE)
- Digital Literacy and Communication (coded CCD)
- Disciplinary Research Methods and Writing (coded CCR)
- Quantitative Reasoning (coded CCM)
- Experimental Reasoning Course with Lab (coded CCS)
- Expression Française (coded FR)
- AUP Capstone (coded CCC)

This course can be used to fulfill the [INDICATE THE REQUIREMENT(S) FULFILLED BY THE COURSE] requirement and as such has the following learning outcomes:

The general education program at AUP consists of four requirements: Speaking the World, Modeling the World, Mapping the World, and Comparing Worlds Past and Present. The GLACC programs fulfills the core curriculum requirements at the American University of Paris. Students are expected to demonstrate awareness of ethical considerations, values or practices when implementing economic policies and as such be able to analyze the market system functions from a macroeconomic perspective and place economic performance within a comparative and historical perspective.

Course Outline

OUTLINE:
The following topics will be covered with the approximate number of lectures appearing in parentheses:
I. Introduction: Macroeconomic goals and challenges (2)
II. The goods and financial markets: the IS-LM model (4)
III. Labor Market and the Phillips curve : unemployment and inflation (4)
IV. From the short to the medium run: the IS-LM-PC model (2)
V. The long-run: economic growth, saving, capital accumulation, technology (4)
VI. Financial markets and expectations: consumption, investment and output (4)
VII. Fiscal and monetary policies in an open economy: the link to interest & exchange rates and financial markets (4)

COURSE AND READING SCHEDULE
SPRING 2021
Date
Topics, Workshops and Examinations
Readings
Week 1
Starting January 18
Why study macroeconomics? Tour of the book and the world

Blanchard, chaps.. 1 & 2

Week 2
Starting January 25
The goods market: the determinants of the equilibrium output
Financial markets: interest rate
End of drop-add period
Blanchard, chap.. 3

Week 3
Starting February 1
Financial markets: money demand and investment
The IS-LM model
Blanchard, chaps..4 & 5

Week 4
Starting February 8
Goods and financial markets: The IS-LM model
No class on Tuesday Feb 9. Classes start on site on Feb. 11
Workshop I: Asynchronous and synchronous sessions
The IS-LM applications, Research Paper and Project Topics
Blanchard, chap..6

Week 5
Starting February 15
The labor market: wage determination, unemployment. Efficiency wage theory. The Phillips curve: unemployment and inflation
Blanchard, chap.. 7-8

Week 6
Starting February 22
From the short to the medium run: The IS-LM-PC model
No class on Friday Feb. 26
Workshop II: Asynchronous and synchronous sessions Research group presentations
Blanchard, chap.. 9

Weeks 7
Starting March 1
Economic growth: output measurement, Purchasing Power Parity calculation
Research group presentations
Blanchard, chap.. 10

Week 8
Starting March 8
Saving, capital, accumulation and output
Midterm Examination

Blanchard, chap.. 11

Week 9
Starting March 15
Technology and economic growth: short, medium and long-run conditions
Blanchard, chaps.. 12 &-13

Week 10
Starting March 22
Financial markets and expectations: consumption and investment
Workshop IIII: Group project discussions: country studies
Blanchard, chaps.. 14 & 15

Week 11
Starting March 29
Expectations: output and policy;
Goods and financial markets in an open economy
Blanchard, chaps, 16 & 17, 18

Week 12
Starting April 5
Interest rate, exchange rate and output
No class on Tuesday April 6.
Blanchard, chap.19

Week 13
Starting April 12
Exchange rate regimes
Macroeconomic policy issues
Group project presentations (groups 1 and 2)
Blanchard, chaps.20 & 21

Week 14
Starting April 19
Macroeconomic stabilization policies
Group project presentations (groups 3 and 4)
Blanchard, chaps.21 & 22, 23

Week 15
Starting April 26
Concluding remarks and review
Tuesday April 27 last day of classes, Reading days
Blanchard, chap. 24

Week 16
Starting May 3

Final exam period: May 3-12.

Textbooks

Title	Author	Publisher	ISBN	Required
MACROECONOMICS, 8TH EDITION	BLANCHARD, OLIVIER	Pearson	9781292351476	Yes

Attendance Policy

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.
IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.
Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level. Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.
ENGLISH LANGUAGE PROFICIENCY STATEMENT: As an Anglophone university, The American University of Paris is strongly committed to effective English language mastery at the undergraduate level. Most courses require scholarly research and formal written and oral presentations in English, and AUP students are expected to strive to achieve excellence in these domains as part of their course work. To that end, professors include English proficiency among the criteria in student evaluation, often referring students to the university Writing Lab where they may obtain help on specific academic assignments. Proficiency in English is monitored at various points throughout the student's academic career, most notably during the admissions and advising processes, while the student is completing general education requirements, and during the accomplishment of degree program courses and senior theses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an “F” for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

Grading Policy

GRADING:

Participation 10%
Assignments, Workshops 20%
Midterm 20%
Research Paper / Book Review / Project 20%
Final Examination 30%

CLASS ORGANIZATION: LECTURES, EXERCISES, MS TEAMS

Considering the numerous constraints imposed by the COVID-19 sanitary and traveling sanitary imperatives, class lectures, assignments and workshops will be conducted in a hybrid format that encompasses synchronous and asynchronous, distant and face-to-face sessions. Students are required to participate in all classes and do the assignments in one or more of the designated lecture and exercise formats. The current format requires a high degree flexibility, adaptation, agility and collaboration among all participants. In addition to class lectures, students are required to participate in four workshops designed to familiarize students with the application of the economic and financial theories and the tools and techniques used by economists. Due to the constraints imposed by the organization of hybrid classes, workshops may take place outside regular class session in a synchronous or asynchronous mode. Students joining class via MS Teams are encouraged to participate actively in class discussions and exercises. Join meetings with mute on and turn your camera on when you ask questions. Please be mindful of potential technical problems, background noise and recording problems. Raise your hand when asking question, turn off your microphone during lecture and use the chat function parsimoniously.

Other