Overview
This course is about both long-run economic growth and short-run economic fluctuations. By the end of the quarter, you should be able to critically read articles on current macro issues that appear in publications such as The New York Times, The Wall Street Journal and The Economist. This course requires analytical thinking and calculus.

Course website
I use the Sakai at Duke interface. You will find there the syllabus, problem sets, and lecture notes – please note that I will not distribute hard copies of materials in class.

Policies
I expect students to attend classes and take notes. This is an essential part of the learning process. I will post lecture notes online, but you are expected to fill in details in class (there will be lots of examples not in the lecture notes!). At the same time I will not take attendance.

Grading
There will be two Midterms and a Final. The first midterm will take place during class on 2/14 (15% of final grade). The second midterm will take place during class on 3/21 (35% of final grade). The final exam will take place in our allocated time and slot. The second mid term and the final exam are comprehensive. The exam dates are fixed. I follow the policy stated in the document “class absences and missed work spring 2013 final” regarding missing exams.

There will be multiple problem sets during the semester. The problem sets are not going to be graded – they serve as a feedback device for you and they will be solved during the TA sections.

Book
We will be using “Macroeconomics, 8th edition” by Mankiw.
Topics (in parentheses the book’s chapter)

- Basic concepts
  - Measuring the economy (Chaps. 1, 2)
  - The Firm (Chap. 3)
  - Demand for goods/services (Chap. 3)
- Consumer and Firm theory and the long run – the classic economy
  - Growth I (Chap. 8-9 & own notes)
  - The Consumer I: C & S (Chap. 16 & own notes)
    - Case Study I: Govt expenditures & the current recession
    - Case Study II: Govt taxation (Ricardian Equivalence)
    - Case Study III: The value/cost of growth
  - Growth II (own notes)
    - Case study: taxes and growth
  - The Consumer II: leisure & labor (own notes)
  - Investment: (own notes)
- The short run
  - The monetary system (Chap. 4,5)
  - Economics fluctuations (Chap. 10-12, 14-15 & own notes).
  - Unemployment (Chap. 7 & own notes)
    - Case study: the middle class and jobless recoveries
  - Fiscal policy (Chap. 19 & own notes)
  - Financial system (Chap. 20 & own notes)
- Taxes: optimal policy (own notes)
- Pensions (own notes)