Economics 313 is the basic course in macroeconomic theory for economics majors and minors. Economics 202 and 311 are prerequisites for the course. You should also be comfortable with college level algebra.

**Textbook:** Olivier Blanchard and David Johnson, *Macroeconomics*, Sixth Edition, Pearson. This is available at the UO Bookstore, shrink-wrapped with MyEconLab, which will be needed for homework. I will also distribute lecture notes for each topic, once the lectures on that topic are completed. In some cases lectures will cover topics not treated or only partially treated in Blanchard. The lecture notes will be made available on Blackboard.

**Course Description:** This course covers the theory of the determination of aggregate output, unemployment, prices, interest rates, inflation, and growth, in the short-run and the medium-run, with applications to the U.S. economy and discussions of macroeconomic policy issues. You should aim to become well informed about the current state of the U.S. economy, and you will be expected to know some basic facts about U.S. macroeconomic data. Key data will be mentioned in the lectures.

**Grading:** There will be two 55 minute tests, a one-hour and 50 minute midterm exam and the final exam. All tests and exams are closed book/closed notes. The dates are as follows: **55 minute tests** will take place during the first hour of class on Tuesday **October 16** and Thursday **November 15**. The **midterm** will be from 12:00–1:50pm on Thursday **November 1**. The **final exam** is on Monday, **December 3** from 8–10am.

The two 55 minute tests will count a total of 25% (12½% each), the midterm will count 30%, and the final exam will count 35% of the course grade. Homework (see below) will count 10% of the grade. Rescheduling of a test, the midterm or the final is not possible. If you miss a test or the midterm exam for some good reason, let me know immediately. There will not be a make-up test, but we will increase the weight of the other examinations proportionately. Appeals of a test/exam grade must be made within 1 week of its being returned: the entire test/exam will be considered and the grade may be altered up or down.

For the tests and exams you will need a basic calculator, i.e. one that does basic algebraic operations, but does not permit text storing. These should be readily available for less than $5. Calculators will also be needed for some homework problems.
**Homework and MyEconLab:** There will be periodic homework, which counts 10% of the grade. The answers will be discussed in class and some closely related problems may appear on the exams. Homework will be submitted on the MyEconLab website. You can use either your own computer or one of the computers in SSIL (the Social Science Instructional Lab in McKenzie). You must register for MyEconLab and enroll with MyEconLab in this course. To do this you will need to have the access code, which will be contained with the textbook. Go to the Pearson website, enter the course ID (given below), sign in or create an account, and use the access code that came with the textbook.

The **instructor course ID** for MyEconLab is **evans94393**.

**Blackboard:** I will use Blackboard to provide lecture notes, details of textbook readings, course updates, review sheets, grades, answers to tests, etc.

**Outline of Topics**

1. Introduction: Overview of the crisis and the US economy. The Euro area.
3. The goods market
4. Financial markets
5. The IS-LM model
6. The crisis and macroeconomic policy.
7. The labor market
8. The AS-AD model
9. The Phillips Curve, the natural rate of unemployment and inflation.
10. Fiscal policy, deficits and debt.