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:** Custom version of 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 Canvas. The lecture notes will be made available on Canvas.

**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 midterm exams and the final exam. All exams are closed book/closed notes. The dates are as follows: **Midterm 1** will be on Monday **October 19**. **Midterm 2** will be on Monday **November 16**. The **final exam** will be scheduled as a combined final (together with another of the 313 classes) on Monday, **December 7** from 5pm–7pm. Location of the final exam will be announced later. The final exam will be cumulative, though there will be greater emphasis on previously untested material. The final exam cannot be rescheduled unless you have a specific conflict with another class, in which case you must inform me in the first week of the course. Do not enroll in the course if the final exam date is a problem.

Each of the two midterms and the final exam will count 30% of the course grade. Homework (see below) will count 10% of the grade. Rescheduling of a midterm or the final is not possible. If you miss an exam for some good reason, you must let me know immediately. There will not be a make-up midterm exam, but we will increase proportionately the weights on the other midterm and the final exam. Appeals of a
midterm exam grade must be made within 1 week of its being returned: the entire exam will be considered and the grade may be altered up or down.

For the exams you will need a basic calculator, i.e. one that does basic algebraic operations, but does not permit text storing or internet access. 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, counting 10% of the grade. Selected answers will be discussed in class. 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 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 MyLab 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 **evans36369**.

**Canvas:** I will use Canvas to provide lecture notes, details of textbook readings, course updates, review sheets, grades, answers to exams, 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 great recession 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.