

Spring 1998

## Macroeconomics

David DeJong  
4D 10 FQ 8-2242  
dejong+@pitt.edu  
<http://www.pitt.edu/~dejong>

**Office Hours:** 1:00 - 2:00 Tuesday and Thursday, or by appointment.

**Textbook:** N.G. Mankiw *Macroeconomics*, 3rd ed., Worth, 1997 (required). The text is available at the Pitt Book Store. It is also being held on reserve in the Econ/GSPIA library.

**Grading:**

Midterm:	40% (covering Sections I - IV)
Final:	40% (covering Sections I - VII)
Project:	20%

### Reading List and Course Outline:

<i>Section I: Introduction and Background Material</i>	Textbook Chapters 1 and 2
Ia. Course overview	
Ib. Intro. to Economic Thinking: the PPF and S&D models	
Ic. Comparative Advantage, Specialization, and Trade	
Id. Mathematical, graphical tools	
Ie. Stylized facts	
If. National Income Accounting	
<i>Section II: Overview of the AS - AD Model</i>	Ch. 8
Iia. Intro. to AS - AD analysis	
Iib. AS - AD and the Phillips Curve	
<i>Section III: Aggregate Supply</i>	
IVa. Modelling production	Ch. 3, Sections 1-2
IVb. The short-run labor market and SRAS	Ch. 12, Section 1
IVc. The long-run labor market and LRAS	
<i>Section IV: Economic Growth</i>	Ch. 4
<i>Section V: Aggregate Demand</i>	
Va. The IS curve	Ch 9, Sect. 1; Ch. 10 Appendix, p. 294-96
Vb. The LM curve	Ch 9, Sect. 2; Ch. 10 Appendix, p. 297
Vc. Policy analysis using IS - LM	Ch 10
Vd. Deriving AD using IS - LM	Ch 10 Appendix, p. 297
<i>Section VI: AS/AD Analysis</i>	
VIa. AS - AD and the Phillips Curve	Ch 12, Section 2
VIb. Policy analysis using AS - AD	Ch 13
<i>Section VII: Open-Economy Macroeconomics</i>	Ch. 7