

Identification	Subject (code, title, credits)	ECON 315 Intermediate Macroeconomics - 3KU/6ECTS credits	
	Department	Economics and Management	
	Program	Undergraduate	
	Term	Spring 2024	
	Instructor	Jeyhun Mammadov	
	E-mail:	jmammadov@khazar.org	
	Phone:		
	Classroom/hours		
	Office hours	Wednesday, 14:00 to 16:00 in office # 312 or by appointment	
Prerequisites	ECON 202 Principles of Macroeconomics		
Language	English		
Compulsory/Elective	Compulsory		
Required textbooks and course materials	N. Gregory Mankiw. “Macroeconomics” 11 <sup>th</sup> edition, 2021		
Course outline	A range of issues in macroeconomics covering the topics: data measurements and national income accounting, growth theories, Short-run business cycles and Keynesian economics, the open economy. The content of the lectures and readings are balanced between economic theory, macroeconomic models, empirical findings in macroeconomic topics and contemporary economic policy.		
Course objectives	The course is designed to deepen students’ knowledge in theoretical and empirical macroeconomics. We will develop the modern theories of the determination of the level and rate of growth of income. We will discuss the implications of each theory on alternate fiscal and monetary policies seeking to facilitate full employment, economic growth and price stability. Since Macroeconomics is an empirical discipline, students will be familiarized with the current macroeconomic data and its relevance.		
Learning outcomes	At the end of this course, students will <ul style="list-style-type: none"><li>• Understand the role of Macroeconomics and macroeconomists in policymaking.</li><li>• Know the mechanics of National Income Accounting and interpret its different components.</li><li>• Know the underlying concepts and theories between classical and Keynesian Economics.</li><li>• Understand the IS-LM framework and derivations of Aggregate Demand and Aggregate Supply functions.</li><li>• Understand the relationships between the financial system, the macroeconomy and the conduct of Monetary Policy.</li><li>• Understand the relationship between exchange rates and macroeconomic variables such as interest rates and inflation in an open economy context.</li></ul>		
Teaching methods	Lecture		x
	Group discussion		x
	Experiential exercise		x
	Case analysis		x
Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam	TBA	30
	Class Attendance		5

		<b>Class Activity</b>		5
		<b>Assignment/ quizzes</b>	7 <sup>th</sup> and 15 <sup>th</sup> Week	20
		<b>Final Exam</b>	TBA	40
		<b>Total</b>		100
<b>Policy</b>		<p><b>Attendance and participation:</b> The students are required to attend all classes as part of their studies and those having legitimate reasons for absence (illness, family bereavement etc) are required to inform the instructor. Generally, four (4) unauthorized absence marks will lead to the students’ expulsion from the course. However, this student is able to enter the second double hour without delay. The attendance and activity will account for 10 % of the total course grade, which depends on students’ good class attendance and active participation in class discussions.</p> <p><b>Preparation for class</b> The structure of this course makes your individual study and preparation outside the class extremely important. The lecture material will focus on the major points introduced in the text. Reading the assigned chapters and having some familiarity with them before class will greatly assist your understanding of the lecture. After the lecture, you should study your notes and work on relevant problems from the end of the chapter and sample exam questions. Throughout the semester we will also have a large number of review sessions. These review sessions will take place during the regularly scheduled class periods.</p> <p><b>Withdrawal (pass/fail)</b> This course strictly follows the grading policy of the School of Economics and Management. Thus, a student is normally expected to achieve a mark of at least 60% to pass. In case of failure, he/she will be referred or required to repeat the course the following term or year. For referral, the student will be required to take an examination scheduled by the instructor.</p> <p><b>Assignments/quizzes</b> There will be two quizzes and two assignments. Quizzes and home assignments will constitute 20 percent of the final grade. Makeup quizzes will not be given except in the case of dire emergency. Students are required to turn in answers to assignments at the beginning of the classes at which they are due. Late assignments will not be accepted.</p> <p><b>Cheating/plagiarism</b> Cheating or other plagiarism during the Quizzes, Mid-term and Final Examination will lead to paper cancellation. In this case, the student will automatically get zero (0), without any considerations.</p> <p><b>Professional behavior guidelines</b> The students shall behave in the way to create favorable academic and professional environment during the class hours. Unauthorized discussions and unethical behavior are strictly prohibited.</p>		
<b>Tentative Schedule</b>				
<b>Week</b>	<b>Date/Day (tentative)</b>	<b>Topics</b>		<b>Textbook/Assignments</b>
		<b>Part I Introduction</b>		

1		The Science of Macroeconomics. The historical performance of the Azerbaijan economy. The Data of Macroeconomics.	Ch. 1, 2
		<b>Part II Classical Theory: The Economy in the Long Run</b>	
2		National Income: Where It Comes From and Where It Goes	Ch. 3. HW 1 posted
3		Money and Inflation. The Cagan model.	Ch. 4.
4		The Open Economy. Unemployment	Ch. 5, 6.
		<b>Part III The Economy in the Very Long Run</b>	
5		Economic Growth I: Exogenous growth theory	Ch. 7. HW 1 due
6		<b>Holiday</b>	
7		Economic Growth II: Endogenous growth theory	Ch. 8. <b>Quiz 1</b>
		<b>Part IV Business Cycle Theory: The Economy in the Short Run</b>	
8		Introduction to Economic Fluctuations.	Ch. 9.
9		<b>Midterm exam</b> Aggregate Demand I: Building the IS-LM Model	Ch. 10
10		Aggregate Demand II: Applying the IS-LM Model	Ch. 11.
11		Aggregate Demand in the Open Economy: The Mundell-Fleming Model and the Exchange Rate Regime	Ch. 12.
12		Aggregate Supply and the Short-Run Tradeoff Between Inflation and Unemployment.	Ch. 13. HW 2 posted
13		A dynamic model of aggregate demand and aggregate supply (a simplified DSGE model).	Ch. 14
		<b>Part V Macroeconomic Policy Debates</b>	
14		Stabilization Policy, Government Debt, and Budget Deficits. Ricardian equivalence	Ch. 15, 16.
		<b>Part VI The Micro foundations of Macroeconomics</b>	
15		Consumption. The life-cycle hypothesis. Permanent income hypothesis. The random walk hypothesis. Theories of investment	Ch. 17. HW 2 due Ch. 18. <b>Quiz 2</b>
16		<b>Final Exam</b>	