

UCLA Summer 2017 Session A
Econ 102 Macroeconomic Theory
Preliminary Syllabus

Professor: Konstantin Platonov, kplatonov@ucla.edu, <http://www.kplatonov.org>

Lectures: MW 10:45am-12:50pm Humanities A65

Course website: <https://moodle2.sscnet.ucla.edu/course/view/171A-ECON102-1>

Office hours: MW 1-2pm (after class) Bunche 2265

Prerequisites: Econ 1, Econ 2, Econ 11 or their equivalents. Students must be familiar with basic microeconomic concepts: consumer theory, producer theory, and market equilibrium. Students are required to have basic mathematical skills and be able to understand functions, graph them and take their derivatives.

Description: Economics 102 is a course in intermediate macroeconomics for students who have already taken introductory economic courses. The aims of this course are to introduce students to the theory of how the macroeconomy works and to develop the economic intuition. We will answer the questions: What drives the business cycle? How do shocks to the economy affect consumers' well-being and the state of the economy? What is the optimal stabilization policy? The course elaborates a simple general equilibrium model with intuitive graphical representations. The course provides both theoretical background and applications to financial crises, recessions, and macroeconomic policies.

Readings: Lecture notes, N. Gregory Mankiw *Macroeconomics* (optional; only selected chapters)

Practice problems: I will post non-graded practice problems and solutions to them. They are intended to develop skills that are necessary to master the course. Students are strongly encouraged to solve these problems.

Home assignments: There will be three home assignments aimed to prepare students for the exams. Tentative due dates are: July 5, July 14, and July 31. Home assignments can be completed in a team (up to three students). The assignments must be submitted through the course website. No hard copies will be accepted. No late submissions will be accepted under any circumstances. Students must put their names and their UID on the first page of their homework. After the deadline, the solutions will be posted on the website. Only one of the questions in each assignment will be graded. Students are responsible for checking the solutions to all problems.

In order to submit homework, students may type them up or send a pdf file of scanned hand-written copy. Free scanners are located in Powell Library and the Young Research Library. In addition, there are free apps like Dropbox and DocScan that allow to scan a document from a smartphone.

Exams: Midterm (July 17, 2017) and cumulative final exam (August 2, 2017). Make sure now you are available on these dates. Exams are based on everything covered in the lecture notes, in class, practice problems and home assignments.

Exam Rules: All exams are closed-book, closed-note, and closed-neighbor. They will consist of multiple choice questions, true/false questions, and short answer questions. There will be no make-up exams. Calculators, cell phones, smartphones, tablets, laptops and other devices are not allowed.

Grading: The grade for the course is computed in two ways, and the highest score is taken. Let H be the average score for the home assignments, M be the grade received on the midterm exam, and F be the grade received on the final exam. The grade for the course is computed by the following formula:

$$\max \{0.1H + 0.45M + 0.45F; 0.2H + 0.8F\}.$$

The conversion of the score to the letter grade takes place at the end of the course when all grades are known. The class is not curved. There are no predetermined percentiles assigned to the letter grades.

Tentative Course Outline:

Date	Lecture No.	Topic
Jun 26	1	Introduction. National Income Accounting
Jun 28	2	Production Function and Classical Labor Market
Jul 3	3	Loanable Funds Market. Supply of Savings
Jul 5	4	Money, Interest Rates, Price Level, and Inflation
Jul 10	5	Policy in the Neoclassical Model. Real Business Cycle Theory
Jul 12	6	Financial Markets
Jul 17	7	<i>Midterm</i>
Jul 19	8	Keynesian Economics
Jul 24	9	The IS/MP Model and the AS/AD Model
Jul 26	10	Stabilization Policy
Jul 31	11	<i>Review</i>
Aug 2	12	<i>Final Exam</i>

Attendance: Attendance is not mandatory, but highly recommended.

Questions: Students may address their questions to the professor in class or during his office hours. Questions via email won't be answered unless they are related to personal or urgent matters. The discussion board available on the course website is a good platform where students can discuss their questions as well.

Disabled Students and the Office of Student Disabilities (OSD): Any student with a preexisting illness or condition who requests special arrangements must (a) qualify under the OSD rules for such special arrangements and (b) must take the exam with OSD. Any such arrangements with the OSD must be made the first week of classes. The instructor must be informed of any such arrangement in the first week of classes. For additional information and the qualification conditions of the OSD, please visit their website at <http://www.osd.ucla.edu>. All other students must take the exam at the scheduled time under the same time constraints. It is the responsibility of all students who request special arrangements with the OSD to be familiar with all of their rules as well as the rules of this class.

Academic Dishonesty: Any cases of cheating will be reported to the Office of the Dean of Students. For more details please refer to the Office of the Dean of Students website at <http://www.deanofstudents.ucla.edu>.

Intellectual Property: Course materials (lecture notes, assignments, and exams) prepared by the professor are property of the professor. Unless explicit permission is obtained from the professor, no course materials may be transmitted or transferred to any other person.

Disclaimer: There may be changes in topics. Students are responsible for learning of any changes in the syllabus that are announced during class.