

San José State University
Department of Economics
Econ 202—Seminar in Macroeconomic Analysis
Course No. 23584, Spring 2018

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Office Hours:	Tuesday, 4:30-6:00 P.M.; Thursday, 1:00-2:30 P.M.; and by appointment
Class Days/Time:	Thursday, 6:30-9:15 P.M.
Classroom:	DMH 166
Prerequisites:	Econ 101, Econ 102, and Econ 103, or instructor consent

Course Description

Aggregate analyses of inflation and unemployment (and of alternative fiscal and monetary policies) using general equilibrium and dynamic disequilibrium adjustment models of real output, labor, real capital and financial markets (both domestic and international).

Course Learning Outcomes and Program Learning Objectives

This is a course in advanced macroeconomics. Using models of the economy overall, it emphasizes the interrelationships among economic variables and the impact of public policy on those variables. It puts special emphasis on competing theories as they emerged in the history of economic thought. This course emphasizes Economics MA PLO 2 (*Macroeconomics*).

Course Learning Outcomes

Upon successful completion of this course, students will be able to:

Understand the relationship between economics and public policy, as illuminated by public-choice theory.

Identify the macroeconomic aggregates that measure the price level, employment, and output and explain both their strengths and weaknesses.

Display a good grasp of what we know and what we do not know about economic growth.

Display a good grasp of what we know and what we do not know about sustained inflation.

Display a good grasp of what we know and what we do not know about the business cycle.

Required Texts/Readings

Textbooks

1. Brian Snowdon and Howard R. Vane, *Modern Macroeconomics: Its Origins, Development and Current State* (Cheltenham, UK: Edward Elgar, 2005); **ISBN-13:** 978-1845422080.
2. N. Gregory Mankiw, *Macroeconomics*, 7th edn. (New York: Worth, 2010); **ISBN-13:** 978-1429218870.

Other Readings

Econ 202 Course Reader, available at Maple Press, 481 E. San Carlos.

Classroom Protocol

We will conduct this class as a graduate seminar. Rather than only listening to lectures, students should be prepared to discuss the assigned readings for each session. Participation in these discussions will determine 15 percent of a student's overall grade. If a student misses a class, they must turn in at the next class a brief written summary of the readings assigned for the class they missed. These written summaries must be at least 400 words long, neatly typed. I also encourage students to record classes if they believe doing so will help their studying.

Assignments and Grading Policy

Participation in class discussions will determine 15 percent of a student's overall grade. The final examination, which will be comprehensive, is worth another 50 percent out of the total of 100, whereas a mid-term examination is worth 35 percent.

Converting number grades to letter grades:

97-100	A+	83-86	B	70-72	C-
93-96	A	80-82	B-	67-69	D+
90-92	A-	77-79	C+	63-66	D
87-89	B+	73-76	C	60-62	D-
		below 60	F		

Finally, if you experience any difficulty in this course, please do not hesitate to come to me for help. I am available not only during office hours but also by phone, and I am always happy to clarify hard concepts, resolve any lingering confusion, or otherwise assist you in making this course enjoyable and rewarding.

University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page](http://www.sjsu.edu/gup/syllabusinfo/) at <http://www.sjsu.edu/gup/syllabusinfo/>

Econ 202—Seminar in Macroeconomic Analysis Spring 2017: Course Schedule

Week	Date	Topics, Readings, Assignments, Deadlines
1	Jan 25	
2	Feb 1	Snowdon & Vane, ch. 1; Mankiw, chs. 1, 2, 6.
3	Feb 8	Mankiw, chs. 3, 7, 8.
4	Feb 15	Snowdon & Vane, ch. 11.
5	Feb 22	Snowdon & Vane, ch. 2; Mankiw, ch. 9.
6	Mar 1	Snowdon & Vane, ch. 3 [except sec. 3.5 (pp. 123-35)]; Mankiw, chs. 10, 11.
7	Mar 8	Snowdon & Vane, ch. 4 [except sec. 4.4 (pp. 187-92)]; Mankiw, chs. 13, 17.
8	Mar 15	Snowdon & Vane, ch. 5 [except secs. 5.5.3-5.5.4 (pp. 249-62)]; Mankiw, ch. 18.
9	Mar 22	mid-term examination.
	Mar 29	Spring break.
10	Apr 5	Snowdon & Vane, ch. 6.
11	Apr 12	Snowdon & Vane, ch. 7 [except sec. 7.6 (pp. 376-78) and secs. 7.11-7.12 (pp. 409-27)]; Mankiw, ch. 14.
12	Apr 19	Snowdon & Vane, ch. 9.
13	Apr 26	Snowdon & Vane, ch. 10, secs. 5.5.3-5.5.4 (pp. 249-62), secs. 7.11-7.12 (pp. 409-27); Mankiw, chs. 15, 16.
14	May 3	Snowdon & Vane, sec. 3.5 (pp. 123-35), sec. 4.4 (pp. 187-92), sec. 7.6 (pp. 376-78); Mankiw, chs. 5, 12.
15	May 10	Snowdon & Vane, ch. 12; Mankiw, epilogue.
Final Exam	May 17	DMH 166: 6:30 to 8:45 P.M.

Reading assignments include all chapter interviews and appendices, unless otherwise specified. In addition to the above, the Course Reader contains copies of or links to supplementary readings assigned for various weeks.

Optional Recommended Readings:

General

John H. Wood, *A History of Macroeconomic Policy in the United States* (London: Routledge, 2009).

Economic Growth

Robert J. Barro and Xavier Sala-i-Martin, *Economic Growth*, 2nd edn. (Cambridge, MA: MIT Press, 2004).

P. T. Bauer, *Dissent on Development: Studies and Debates in Development Economics* (Cambridge, MA: Harvard University Press, 1972).

Michele Boldrin and David K. Levine, *Against Intellectual Monopoly* (New York : Cambridge University Press, 2008).

William Easterly, *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics* (Cambridge, MA: MIT Press, 2001).

Charles I. Jones, *Introduction to Economic Growth*, 2nd edn. (New York: W. W. Norton, 2002).

Michael Maren, *The Road to Hell: The Ravaging Effects of Foreign Aid and International Charity* (New York: Free Press, 1997).

Debraj Ray, *Development Economics* (Princeton, NJ: Princeton University Press, 1998).

Julian L. Simon, *The Ultimate Resource* (Princeton, NJ: Princeton University Press, 1981).

Hernando de Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (New York: Basic Books, 2000).

Hernando de Soto, *The Other Path: The Invisible Revolution in the Third World* (New York: Haper & Row, 1989).

David Warsh, *Knowledge and the Wealth of Nations: A Story of Economic Discovery* (New York: W. W. Norton, 2006).

David N. Weil, *Economic Growth* (Boston: Addison-Wesley, 2005).

Business Cycles

Robert J. Barro, *Macroeconomics*, 5th edn. (Cambridge, MA: MIT Press, 1997).

James M. Buchanan and Richard E. Wagner, *Democracy in Deficit: The Political Legacy of Lord Keynes* (New York: Academic Press, 1977)

Tyler Cowen, *Risk and Business Cycles: New and Old Austrian Perspectives* (New York: Routledge, 1997).

James Rolph Edwards, *Macroeconomics: Equilibrium and Disequilibrium Analysis* (New York: Macmillan, 1991).

Roger W. Garrison, *Time and Money: The Macroeconomics of Capital Structure* (London: Routledge, 2001).

Robert J. Gordon, *Macroeconomics*, 8th edn. (Reading, MA: Addison-Wesley, 2000).

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Optional Recommended Readings (continued):

Robert J. Gordon, ed., *Milton Friedman's Monetary Framework: A Debate With His Critics* (Chicago: University of Chicago Press, 1974).

Robert E. Hall and John B. Taylor, *Macroeconomics*, 5th edn. (New York: W. W. Norton, 1997).

Steven Horwitz, *Microfoundations and Macroeconomics: An Austrian Perspective* (London: Routledge, 2000).

John Maynard Keynes, *The General Theory of Employment, Interest, and Money* (New York: Harcourt, Brace, 1936).

Steven E. Landsburg and Lauren J. Feinstone, *Macroeconomics* (New York: McGraw-Hill, 1997).

David Romer, *Advanced Macroeconomics*, 4th edn. (New York: McGraw-Hill, 2012).

Monetary Theory

H. Geoffrey Brennan and James M. Buchanan, *Monopoly in Money and Inflation: The Case for a Constitution to Discipline Government* (London: Institute of Economic Affairs, 1981).

Kevin Dowd and Richard H. Timberlake, Jr., eds., *Money and the Nation State: The Financial Revolution, Government and the World Monetary System* (New Brunswick, NJ : Transaction Publishers, 1998).

Friedrich A. von Hayek, *The Denationalization of Money--The Argument Refined: An Analysis of the Theory and Practice of Concurrent Currencies*, 2nd edn. (London : Institute of Economic Affairs, 1978).

Miles Livingston, *Money and Capital Markets: Financial Instruments and Their Uses* (Englewood Cliffs, NJ: Prentice Hall, 1990).

J. Huston McCulloch, *Money and Inflation: A Monetarist Approach*, 2nd edn. (New York: Academic Press, 1982).

Ludwig von Mises, *The Theory of Money and Credit*, rev. edn. (London: Jonathan Cape, 1934).

Don Patinkin, *Money, Interest, and Prices: An Integration of Monetary and Value Theory*, 2nd edn., abridged (Cambridge: MIT Press, 1989).

Murray N. Rothbard, *The Mystery of Banking* (New York: Richardson & Snyder, 1983).

Thomas J. Sargent, *Rational Expectations and Inflation*, 2nd edn. (New York: HarperCollins, 1993).

George A. Selgin, *A Theory of Free Banking: Money Supply Under Competitive Note Issue* (Totowa, NJ: Rowman & Littlefield, 1988).

Lawrence H. White, *The Theory of Monetary Institutions* (Oxford: Blackwell, 1999).