

**ECO 3203: INTERMEDIATE MACROECONOMIC THEORY**

**Fall Semester 2025**

**Instructor Information:**

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| Instructor: | Dr. Swati Sharma |
| Office: | DM 311A |
| Email: | swsharma@fiu.edu |
| TA: | Omar Vanegas Virgüéz |

**Class Information and Office hours:**

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| Class hours: | 1:00 pm – 1:50 pm/2:00 pm – 2:50 pm (MWF) |
| Classroom: | PC 331 |
| Office hours: | * 11:00 am – 12:00 pm (M,W,F) * 12:30 pm – 1:30 pm (T, TR) * Also by appointment |
| TA hours: | TBA |

**Prerequisites:**

Students should have completed ECO 2013 or an equivalent course with a grade of C or better before enrolling in this course.

**Course Description and Purpose**

The purpose of this course is to survey the principal models that have been developed by macroeconomists to explain the behavior of free-market economies and to investigate the implications of those models for policy-making decisions. In particular, it is concerned with how to model the determination of aggregate income, wages rates, exchange rates, inflation rates, interest rates, unemployment rates, and trade balances over long and short time horizons.

**Required Materials**

* Mankiw, N. Gregory (2019) Macroeconomics, 10th edition published by Worth Publishers (ISBN-13: 978-1-319-10599-0)

**Course Structure**

**Class Structure**

* The class is meeting face-to-face three times a week for 50 minutes.
* Class Discussions are an important component. Actively talking and thinking about economics may be the most important element to further your economic intuition.
* Attendance will be taken at the end of each class and will contribute to the final grade.
* I will use “Announcements” on Canvas to convey important information. Please make sure your notifications are turned on.
* Students are allowed to miss two classes without penalty toward their grades. For every additional absence, the student will lose one percentage point from their final grade.
* Being tardy will count as half an absence. Students who come to class more than 10 minutes late will be counted as absent. Students who leave more than 10 minutes early from class will be counted as absent. Students who are on their phones during the lecture or sleeping will be marked as absent.
* Exams are going to be composed of both multiple-choice and short-answer questions. To succeed in each exam, you need to have a solid understanding of the current and previous material.
* **Extra credit assignments** will not be given on an individual basis, **so do not ask**. If and when extra credit is given, the entire class will have the opportunity to get it. Usually, extra credit opportunities are available during the class. You may miss the extra credit opportunity if you do not attend class.
* If you have any questions or concerns about your grade, please contact me immediately. You should be proactive about your grades, and not wait until the last minute.

**Homework**

* There will be 3 HW assignments in total, with respective due dates given throughout the semester.
* In order to encourage the timely submission of homework, late homework will be penalized as follows.
* Assignments submitted after the deadline, but within 3 days of the deadline, will lose 50% of their value.
* Assignments submitted more than 3 days late will receive a zero.

***Note:*** An assignment will be counted as late if it is not submitted within 10 minutes of the start of class on the day that it is due.

**Exams**

* There are three exams in total: 2 Midterms and 1 final exam. All exams are hard-copied exams taken in class. While the midterm exams will test on the material taught up until the exam date, the final exam will be comprehensive.
* **Make-up exams:** You are required to take all the exams at the scheduled time unless you have a university-sanctioned schedule conflict or a well-documented emergency. If you think you have a schedule conflict, please notify the instructor at least two weeks before the exam. All such situations will be dealt on an individual basis.
* Students who fail to abide by the FIU honor code and are found cheating on the exam will be marked “0” and will not have their grade resurrected/replaced from the final exam.
* Students who fail to take an exam on the due date and do not have valid reasoning and documentation to support their claim will not have their grade resurrected/replaced from the final exam.
* Students who have a well-documented medical emergency or university-related schedule conflict will be given the option of a make-up exam or to have their grade replaced with the final exam.
* **Exam Schedule:**

1. Midterm 1 - September 29, 2025 (During regular class hours)
2. Midterm 2 – TBA
3. Final Exam –

* U01 - December 8, 2025; 12:00 pm – 2:00 pm (PC 331)
* U02 - December 10, 2025; 12:00 pm – 2:00 pm (PC 331)

**Grading Policy**

**Incomplete grade Policy Statement**

A student who is passing a course but has not completed all work due to exceptional circumstances, may, with consent of the instructor, temporarily receive a grade of incomplete (“I”). The assignment of the “I” grade is at the discretion of the instructor but is allowed only if the student has a grade of at least a “C” and has completed at least 75% of the course.

**Grade Calculation**

The grade will be calculated using the following proportions:

* **70%** of your grade will be determined by in class exams
* **25%** of your grade will be determined by homework
* **5%** of your grade will be determined by class participation/attendance.

*Final Grade* = (*Midterm* 1 *∗* 0.20) + (*Midterm* 2 *∗* 0.20) + (*Homework Average ∗* 0.25) + (*Final Exam ∗* 0.30) + (*Participation ∗* 0.05)

If your final exam is a higher score than any of your three previous exams them your final grade will be calculated as follows:

*Final Grade = (Average of Two Highest Exam Scores ∗ 0.4) + (Homework Average ∗ 0.25) +*

*+(Participation ∗ 0.05) + (Final Exam ∗ 0.30)*

**Grading Scheme**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Letter** | **Range** | **Letter** | **Range** | **Letter** | **Range** |
| A | 90.00 or above | B | 75.00- 79.99% | C | 60.00- 64.99% |
| A- | 85.00-89.99% | B- | 70.00- 74.99% | D | 55.00- 59.99% |
| B+ | 80.00-84.99% | C+ | 65.00- 69.99% | F | 54.99 or less |

**Weekly schedule**

The schedule is tentative and subject to change. Midterm exams 1 and 2 will test on the material that was taught up until the exam date, and Final exam will be cumulative/comprehensive. Homework and exams in the second half of the semester tend to build on the concepts in the first half of the semester, so it is important to at least review those concepts throughout the semester.

Although I reserve the right to make modifications as I see fit, my tentative plan is to cover the following topics in order:

* How models work (Chp 1.2)
* Long run vs. short run in macroeconomic models (Chp1.2)
* The aggregate production function (Chp 3.1)
* Optimal factor demand for perfectly competitive firms (Chp 3.2)
* Long run determination of factor prices and aggregate income (Chps 3.1, 3.2)
* The aggregate demand for goods in a closed economy (Chp 3.3)
* Interest rates and the supply and demand for loanable funds (Chp 3.3, 3.4)
* The quantity theory of money (Chps 5.1, 10.3)
* Real interest rates vs. nominal interest rates (Chp 5.3)
* Net exports and net capital outflow in open economies (Chp 6.1)
* Open economy equilibrium conditions (Chp 6.1)
* Net export determination in small, open economies (Chp 6.2)
* Real exchange rates vs. nominal exchange rates (Chp 6.3)
* Real exchange rate determination in small, open economies (Chp 6.3)
* Purchasing power parity and nominal exchange rates (Chp 6.3)
* The Keynesian cross model of aggregate income (Chp 11.1)
* Spending multipliers (Chp 11.1)
* Liquidity preference theory and interest rates (Chps 11.2)
* The IS/LM model of income and interest rates (Chps 11, 12)
* The AS/AD model of income, interest rates, and prices (Chp 12.2)
* Solow’s model of economic growth (Chps 8, 9)

**Please note: The syllabus is tentative and subject to change at the instructor’s discretion**

**Key Dates**

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| Classes start | Monday, August 25, 2025 |
| Last day to add/drop | Sunday, August 31, 2025 |
| Labor Day (No classes) | Monday, September 1, 2025 |
| Last day to drop with DR grade | Monday, November 3, 2025 |
| Veterans’ Day observed (No classes) | Tuesday, November 11, 2025 |
| Thanksgiving Holiday | Wednesday - Sunday, November 26-30, 2025 |
| Last regular class day | Saturday, December 6, 2025 |
| Finals Week | Monday-Saturday, December 8-13, 2025 |
| End of term | Saturday, December 13, 2025 |
| Grade available to students | Thursday, December 18, 2025 |

**Sources of Additional Macroeconomics Information**

* Economics tutor center. The Economics Department has provided a classroom designed to assist students enrolled in various economics courses. The Tutoring Center is in VH 136 and is open Monday- Friday from 9:00 AM- 5:00 PM. Economics Ph.D. students are available during these times to help with any questions you may have.
* [Greg Mankiw ‘s Blog](http://gregmankiw.blogspot.com/)
* [The Economist](https://www.economist.com/)
  + Free with Miami Dade Library Card [Miami Dade Library Card](https://www.mdpls.org/)
* [The New York Times](https://www.nytimes.com/?login=email&auth=login-email)
* Activate your free access to [NYTimes](https://goglobal.fiu.edu/students/nyt-partnership/)
* [The Wall Street Journal](https://www.wsj.com/)
* Activate your free access to [WSJ](https://library.fiu.edu/business_cba)
* [Mark Thomas’ Blog](https://economistsview.typepad.com/)
* [NPR Podcast- Planet Money](https://www.npr.org/podcasts/510289/planet-money)

**Course Policies**

**Attendance Policy**

Class attendance is **required** for all scheduled class lectures. However, you can miss classes (as stated in University Guidelines) if you have Covid-19 symptoms or were in contact with someone who tested positive for Covid-19. In case you miss a class, please send me an email. Make sure to adhere to all the health safety protocols issued by the university.

Students who miss classes fall to the bottom of the grading ladder. Reading the textbook is a complement to the lectures, not a perfect substitute for missing classroom lectures. The lectures may deviate from the textbook, and you can only be aware of the appropriate material if you attend the class. If you’ve read this entire syllabus during the first two weeks of classes, please email me your favorite type of candy. Some material in the textbook may be skipped in the lectures, while other material may be studied in more detail than is presented in the textbook. I will give examples, make clarifications, answer questions, and offer interpretations that may not be found in the textbook. Announcements concerning which material in the textbook will be emphasized or ignored will be made in class. Students are responsible for all announcements made in class. Students are also responsible for all subsequent changes in the syllabus that are announced. Missing a lecture is no excuse.

Note: The University may administratively drop you from the course if there is no verified record of your attendance during the first two weeks of classes.

**Technology policy**

I have a no cell phone policy. You may choose to use a laptop/tablet to take notes. I find that although there are merits to taking notes on these devices, they can cause a distraction, sometimes even distracting those around you. Additionally, because my goal is to promote long-term retention of this material, this is best done through taking notes with a paper and pencil/pen.

**Email policy**

Please use email to send a message if you have any questions or concerns. Include your name and section at the end for clarity. Please use common courtesy when sending messages. Please allow 48 business hours for a response. Messages will be checked periodically Monday-Friday from 9:00 AM – 5:00 PM. Messages will not be checked on the weekends.

**Classroom etiquette**

* Arrive on time.
* No food or beverages except for water.
* Please silence cell phones during class.
* If you need to use your cell phone for any non-academic purposes during class (i.e., social media, texting, checking voicemails, phone calls, etc.) please step outside the classroom.

**Exam etiquette**

This is a large class and I have to proctor this exam on my own. I ask you to adhere to a few rules on exam days.

* You cannot leave the class once the exam has started unless you are finished. Once you leave the classroom you will have to turn in your exam. Please use the bathroom before coming to class.
* No wireless devices or sharing of calculators is allowed on the exam.
* Please remove smartwatches.

**Academic Integrity and Honesty**

Students are required to comply with the F.I.U. university policy on academic integrity found in the [Academic Misconduct](https://online.fiu.edu/faculty/resources/university-resources/academic-misconduct-policies-and-procedures.php). Cheating in exams, homework, or any other assignment will not be tolerated. Students found cheating on an exam you will be given a score of “0” on the exam and you the zero will not be replaced with the final exam grade.

**Accommodations for Disabilities**

Reasonable accommodations will be made for students with verifiable disabilities. In order to take advantage of available accommodations, students must register at [Disability Services Office.](https://studentaffairs.fiu.edu/get-support/disability-resource-center/students/request-accommodations/index.php)

Discrimination based on race, color, religion, creed, sex, national origin, age, disability, veteran status, or sexual orientation is a violation of state and federal law and/or Florida International University policy and will not be tolerated.