Econ 4002/5002: Intermediate Macroeconomic Theory

Spring 2026

1 Essential Information

Instructor

Miguel Faria-e-Castro
fmiguel@wustl.edu
Office hours by appointment

Teaching Assistants

- Yudong Rao (rao.y@wustl.edu)
  Office hours: 9:00am-10:00am, Fridays, Seigle 372 (MTE room)
- Facundo Ulivarri (f.n.ulivarri@wustl.edu)
  Office hours: 11:00am-12:00pm, Wednesdays, Seigle 354
- Steven Chen (cminghao@wustl.edu)
  Office hours: 11:30am-12:30pm, Mondays, Seigle 315

Classes

Mondays and Wednesdays, 4:00pm-5:20pm, Simon Hall 1

Grading

9 homeworks (40%) + 2 in-class midterm exams (60%)

Exam Dates

March 4th, April 22nd (in-class, closed book)

2 Course Description

This is a one semester course in intermediate macroeconomics. Macroeconomics is the study of economy-wide phenomena, such as output, inflation, unemployment, or interest rates. It studies short-run aggregate fluctuations, long-run economic growth, and public policies that aim to stabilize and improve the economy as a whole (fiscal and monetary).

3 Prerequisites

The formal prerequisites are Econ 1502 (Intro. to Macro.) and Econ 4001 (Intermediate Microeconomic Theory). I will assume that you are familiar with elementary differential calculus, algebra, and statistics. I tend to go beyond the level of math in the textbook and present basic constrained and unconstrained optimization problems.

4 Textbooks and Readings

The textbook for this course is *Macroeconomics*, 11th Edition by Abel, Bernanke, and Croushore, Pearson. Earlier editions are fine, but bear in mind that there may be differences in pages for sections.

I follow the book relatively closely and complement the exposition with real-world readings, examples, and applications. I will make the lecture slides available on Canvas after each lecture.

5 Lectures

Lectures meet in person on Mondays and Wednesdays, 4pm-5:20pm at Simon Hall 1.

6 Grading

Grading is based on 9 approximately weekly homeworks (40%) and two in-class midterm exams (60%). When computing your final grade, I drop the lowest homework grade.

6.1 Problem Sets

There will be 9 problem sets, each covering roughly one textbook chapter worth of material. Problem sets are posted on Wednesday and are due the following Wednesday at the time of the class, 4:00pm. They should be submitted electronically on Canvas. You are encouraged to collaborate, but every person has to submit their own solution to the problem sets.

Due to the size of the class, I cannot accept late submissions or make any exceptions. If you have not submitted your own answers to the problem set by Wednesday 4:00pm, you will be graded zero. This may sound harsh, but is designed to keep things as fair as possible to everyone and to reward planning ahead.

6.2 In-class Midterms

There will be two in-class midterms. The midterms are closed book. Each will cover half a term's worth of material. The exams will take place during the class on the following dates:

- Midterm 1: Wednesday, March 4th
- Midterm 2: Wednesday, April 22nd

Scientific and graphic calculators are the only electronic devices allowed in the in-class exams.

There will not be make-up exams. If you cannot make it to the exam, please let me know as soon as possible — at least one week before the exam. The exam will include questions and problems similar to those in the problem sets.

7 Office Hours

Because I work off-campus, I do not have a set time for office hours. The TAs hold regular office hours on campus, and you are strongly encouraged to attend those.

Please e-mail me if you have questions and/or need to meet. I will be holding office hours by appointment.

8 Class Participation

Participation during class is encouraged. Feel free to ask any questions you may have and to stop me if something is not clear or you think it does not make sense. There are no stupid questions.

9 Course Outline

We will cover approximately one textbook chapter a week. The tentative course outline is as follows:

1. Week 1: Introduction to the Course and to Macroeconomics (Ch. 1)
2. Weeks 1–2: Measurement (Ch. 2)
3. Week 3: Productivity, Output, and Employment (Ch. 3)
4. Week 4: Consumption, Saving, and Investment (Ch. 4)
5. Weeks 5–6: Growth (Ch. 6)
6. Weeks 6–7: Assets, Money, and Prices (Ch. 7)
7. Weeks 7–8: Business Cycles (Ch. 8)
8. Week 8: Midterm 1
9. Week 9: Spring Break
10. Week 10: A General Macroeconomic Model (Ch. 9)
11. Week 11: Classical Business Cycle Analysis (Ch. 10)
12. Week 12: Review Class (March 30)
13. Weeks 12–13: Keynesian Business Cycle Analysis (Ch. 11)
14. Weeks 13–14: Unemployment and Inflation (Ch. 12)
15. Weeks 14–15: Monetary Policy and the Federal Reserve (Ch. 14)
16. Week 15: Fiscal Policy (Ch. 15) & Midterm 2

10 Useful Online Resources

- FRED: `https://fred.stlouisfed.org/`, primary source for macroeconomic and financial data for the US. I will be using a lot of FRED graphs in class.
- OECD: `https://data.oecd.org/`, for international comparisons.
- Eurostat: `https://ec.europa.eu/eurostat`, for European data.

11 Other Issues

Please reach out to me if you have any questions or if you have any issues or problems that you think may interfere with your learning goals or class performance.

If you ever feel that the usual standards of academic integrity are not being met, please notify me immediately.

In the case of heavy snowfall or other unexpected events, I will hold an online lecture via Zoom and notify the class via e-mail/Canvas.