Economics 302 (Sec. 001)
Intermediate Macroeconomic Theory and Policy
(Spring 2010)

Instructor: Prof. Menzie Chinn
Administrative Issues

• Course website:  

• OH: M 1-2, 4-5, 7418 Soc Sci

• Textbook: Hall & Papell, *Macroeconomics*

• Additional Readings: from WWW, Econbrowser, CBO, *Economic Report of President*

• *NYT, FT, WSJ, Economist*
Administrative Issues

- Grading: 20% PS, 50% 2×MTs, 30% Final
- Dates:
  - MT1 on Wed, 2/24
  - MT2 on Mon, 4/5
  - Final on Mon. 5/10, 5:05PM (note correction)
- Make-ups: None. Points are re-allocated if you have a legitimate excuse. No late assignments accepted (must be handed in during lecture)
Context: GDP Growth
Employment

Nonfarm payroll employment
Unemployment Rate

Unemployment rate
Inflation

Inflation subdued

PCE Price Inflation
Percent change from four quarters earlier

Overall PCE Price Index
Core PCE Price Index

FRBSF Forecasts

Q3
Monetary Policy

[Graph showing trends in Fed Funds, Ten year Treasury bill, and Three month Treasury bill from 1990 to 2008]
Monetary Policy/Credit Easing
Housing Construction

![Graph showing housing construction starts from 1990 to 2008. The graph indicates a trend of increasing starts from 1990 to approximately 2005, followed by a sharp decline in 2008.]
House Prices

Case Shiller Composite Indices SA (Nominal)

- Composite 10
- Composite 20

http://www.calculatedriskblog.com/
Current Account, Net Debt

Current account to GDP [left scale]

Net International Investment to GDP [right scale]
Net Exports and the Dollar

![Graph showing the relationship between net exports and the dollar over time.](image-url)
FIGURE 1.1 Real GDP in the United States, 1968–2002
FIGURE 1.2 Fluctuations of Real GDP Around Its Smooth Trend
FIGURE 1.3 Real GDP, 1910–2002
FIGURE 1.4 Employment as a Percentage of the Working-Age Population
FIGURE 1.5 The Unemployment Rate
FIGURE 1.6 The Rate of Inflation
FIGURE 1.8 The Real Interest Rate
FIGURE 1.9 The Money Supply