



Econ 501: Macroeconomics 2026 Fall

Professor

Prof. Jing Cynthia Wu

Course Times and Locations

TR 15:30-16:50, 119 David Kinley Hall

TA

Rong Yuwen (ryuwen2@illinois.edu)

Office hours

Office hours will be posted on Canvas.

Contact

If you need general assistance, email your TA first. If your TA cannot solve the problem, she or he will forward your email to me.

Canvas

All course materials will be available on Canvas. Check updated information on Canvas. Homework assignments are submitted through Canvas.

Course Description and Outline

Prerequisites: The course presumes knowledge of both micro and macro at the principles level, as well as differential calculus and algebra. It is helpful, though not necessary, to have taken intermediate micro.

Description: This is a course in macroeconomic theory at the intermediate level. Macroeconomics is concerned with the behavior of the aggregate economy. In the course we will be examining macroeconomic data and studying models designed to help us understand those data. We will pay special attention to the role of policymakers in shaping macroeconomic outcomes, and will also take a close look at the recent financial crisis and ensuing recession.

Outline:

Topic 1: Introduction

- Basic economic concepts
- What is a model
- Brief history of economic thought

Topic 2: Economic Growth

- a. Stylized facts
- b. Solow growth model
- c. Cross-country differences in standards of living

Topic 3: Consumption

- a. Two period consumption-saving problem
- b. Endowment Economy Equilibrium
- c. Fiscal policy and Ricardian Equivalence

Topic 4: Neoclassical Business Cycle Model

- a. Production and labor supply
- b. Neoclassical business cycle model
- c. Money
- d. Money, inflation, and interest rates
- e. Taking the model to the data, Critiques

Topic 5: New Keynesian Model

- a. IS-LM-AD model, IS-LM-AD-AS model
- b. Dynamics and the Phillips Curve
- c. Monetary Policy
- d. Zero Lower Bound

Text book

Julio Garín, Robert Lester, and Eric Sims (GLS), *Intermediate Macroeconomics*.
A free PDF copy is posted on Canvas (GLS.pdf).

Evaluation

Grade = $25\% \times 2$ midterms + 30% final + 20% homework

Homework

There will be ten problem sets assigned throughout the semester. Only the best 9 of 10 assignments will be counted towards your final grade. The problem sets are graded on a check plus, check, check minus scale, where check plus is 20, check is 18, and check minus is 15. Late homework assignments (marked by Canvas) will get 2 points off. If you submit your homework after the solution is posted or fail to submit your homework, you will get 0.

Group: You may work in groups of up to three students on the homework assignments. Submit as a group, and make sure the names of *all* your group members legibly appear on the first page of

the assignment. *Group members who are not linked to the submission on Canvas will not receive credit.*

Homework submission: Submission is through Canvas. The deadline on Canvas is *binding*. Plan to submit well ahead of the deadline, in case of Internet or other issues. I do *not* accept physical or email submissions. If there is a hand-written component, you can scan it via a scanner or your phone. Make sure the scanned document is legible.

Exams

There are two midterms and one final, mark your calendar. All the exams are closed-book individual exams, but you may bring one letter size (both sides) hand-written “cheat sheet” that does not involve any electronic technology. The final exam will be cumulative.

ID check: You are required to bring your iCard to all exams and show it when submitting your exam. Exams may not be accepted without proper identification.

Regrade: Clerical errors will be corrected without any hassle. Other regrade requests must be submitted in writing within one week of the exam’s return to your registered TA session. You need to explain which question and why. Statements like “I think I am right. My answer looks like the solution to me. The part I got right (wrong) should be worth more (less) points.” do not count as reasoning. Note the entire exam will be subject to regrading.

Curve: You will be given numerical scores for problem sets and exams. I will curve the overall grade at the end of the semester and give a letter grade for the course. Here is the curve I am targeting, and the exact cutoff can vary from year to year.

A+: top 10%

A: Top 33%

A-: Top 67%

B+: Top 90%

B: Top 99%

Conflict: Should you have a valid University-approved conflict with an exam time, **formal documentation from a University department** is required.

Attendance and Class Participation: Attendance and participation will count at the margin.

Academic Assistance:

Students are encouraged to utilize the many resources we have throughout campus to assist with academics and visit the Connie Frank CARE Center. We recommend that you seek them out starting early in the semester, not just in times of academic need, in order to develop good study habits and submit work which represents your full academic potential. Many resources are found on the Economics Website including details about the Economics Tutoring Center, Academic Advising, and other academic support options: <https://economics.illinois.edu/academics/undergraduate-program/academic-student-support>

Academic Integrity:

According to the Student Code, 'It is the responsibility of each student to refrain from infractions of academic integrity, from conduct that may lead to suspicion of such infractions, and from conduct that aids others in such infractions.' Please know that it is my responsibility as an instructor to uphold the academic integrity policy of the University, which can be found here: <https://studentcode.illinois.edu/article1/part4/1-401/>

Academic dishonesty may result in a failing grade. Every student is expected to review and abide by the Academic Integrity Policies. It is your responsibility to read this policy to avoid any misunderstanding. Do not hesitate to ask the instructor(s) if you are ever in doubt about what constitutes plagiarism, cheating, or any other breach of academic integrity. Read the full Student Code at <https://studentcode.illinois.edu/>

Students with Disabilities:

To obtain disability-related academic adjustments and/or auxiliary aids, students with disabilities must contact the course instructor and the Disability Resources and Educational Services (DRES) as soon as possible. To contact DRES you may visit 1207 S. Oak St., Champaign, call 333-4603 (V/TTY), or e-mail a message to disability@illinois.edu. DRES Website: www.disability.illinois.edu/

Connie Frank CARE Center / Community of Care:

As members of the Illinois community, we each have a responsibility to express care and concern for one another. If you come across a classmate whose behavior concerns you, whether in regards to their well-being or yours, we encourage you to refer this behavior to the Connie Frank CARE Center (217-333-0050 or <http://odos.illinois.edu/community-of-care/referral/>). Based on your report, the staff in the Student Assistance Center reaches out to students to make sure they have the support they need to be healthy and safe. Further, we understand the impact that struggles with mental health can have on your experience at Illinois. Significant stress, strained relationships, anxiety, excessive worry, alcohol/drug problems, a loss of motivation, or problems with eating and/or sleeping can all interfere with optimal academic performance. We encourage all students to reach out to talk with someone, and we want to make sure you are aware that you can access mental health support at the Counseling Center (<https://counselingcenter.illinois.edu/>) or McKinley Health Center (<https://mckinley.illinois.edu/>). For mental health emergencies, you can call 911 or walk into the Counseling Center, no appointment needed.

Disruptive Behavior:

Behavior that persistently or grossly interferes with classroom activities is considered disruptive

behavior and may be subject to disciplinary action. Such behavior inhibits other students' ability to learn and an instructor's ability to teach. A student responsible for disruptive behavior may be required to leave class pending discussion and resolution of the problem and may be reported to the Office for Student Conflict Resolution for disciplinary action.

Emergency Response Recommendations:

Emergency response recommendations can be found at the following website: <http://police.illinois.edu/emergency-preparedness/>. I encourage you to review this website and the campus building floor plans website within the first 10 days of class. <http://police.illinois.edu/emergency-preparedness/building-emergency-actionplans/>.

Religious Observances

The Religious Observance Accommodation Request form is available at <https://odos.illinois.edu/community-of-care/resources/students/religious-observances/>. Submit the form to the instructor and to the Office of the Dean of Students (helpdean@illinois.edu) as soon as possible.

Family Educational Rights and Privacy Act (FERPA)

Any student who has suppressed their directory information pursuant to Family Educational Rights and Privacy Act (FERPA) should self-identify to the instructor to ensure protection of the privacy of their attendance in this course. See <http://registrar.illinois.edu/ferpa> for more information on FERPA. Student information and records will not be released to anyone other than the student unless the student has provided written approval or as required by law.

Sexual Misconduct Reporting Obligation

The University of Illinois is committed to combating sexual misconduct. Faculty and staff members are required to report any instances of sexual misconduct to the University's Title IX and Disability Office. In turn, an individual with the Title IX and Disability Office will provide information about rights and options, including accommodations, support services, the campus disciplinary process, and law enforcement options. A list of the designated University employees who, as counselors, confidential advisors, and medical professionals, do not have this reporting responsibility and can maintain confidentiality, can be found here: <http://www.wecare.illinois.edu/resources/students/#confidential>. Other information about resources and reporting is available here: <http://wecare.illinois.edu/>.

Student Support

The Counseling Center is committed to providing a range of services intended to help students develop improved coping skills in order to address emotional, interpersonal, and academic concerns. Please visit their website to find valuable resources and services: <https://counselingcenter.illinois.edu/>.

Counseling Center Information: 217-333-3704 Location: Room 206, Student Services Building (610 East John Street, Champaign IL)

McKinley Mental Health Information: 217-333-2705 Location: 3rd Floor McKinley Health Center 1109 South Lincoln, Urbana, IL

Emergency Dean: The Emergency Dean may be reached at (217) 333-0050 and supports students who are experiencing an emergency situation after 5 pm, in which an immediate University response is needed and which cannot wait until the next business day. The Emergency Dean is not a substitute for trained emergency personnel such as 911, Police or Fire. If you are expe-

riencing a life threatening emergency, call 911. Please review the Emergency Dean procedures: <http://odos.illinois.edu/emergency/>

Academic Dates and Deadlines Students should make note of important academic deadlines for making changes to their courses (add, drop, credit/no-credit, grade replacement, etc.). <https://registrar.illinois.edu/academic-calendars>. Please check with your academic department regarding specific procedures and policies.