

Macro Theory

ECON 0250B M/W 12:15 - 1:30 PM Room: AXN 100

Professor Sargent Warner 111 kristinas@middlebury.edu

Office Hours: To be determined by Doodlepoll (approx. 3 hours/week) , and by appointment. The first two weeks, office hours will be **Mondays and Wednesdays from 3:00 PM to 5:00 PM**

Textbook (Seriously Recommended): Charles I. Jones. Macroeconomics, W. W. Norton & Company second, third, fourth, and fifth edition are fine, but I recommend third, fourth, or fifth. DO NOT get first edition. There will be a copy on reserve at the Davis Library.

You should read a reputable news source daily, not per class. The Wall Street Journal, New York Times, Financial Times and The Economist are all good sources. The Economist has a 12 week subscription for \$ 12! Keeping up with economics, business and political news (both domestic and international) is an excellent way to apply what you learn to the “real” world. It will help you understand the course material better, make you a much better guest at dinner parties, and give you a way to show your annoying cousin how much smarter you are at Thanksgiving Break. An ability to read articles and glean economic intuition and information will also be necessary for homework assignments.

Website: Canvas, accessible through the Middlebury Course Hub

Course Description:

Macroeconomics is the study of the aggregate economy. We will explore the determinants of long term trends, short term fluctuations (business cycles), and the roles that consumers, firms, and governments play in the economy. Over the course of the semester we will cover long run growth, unemployment and wages, inflation, monetary and fiscal policy, as well as applying the tools of analysis to the recent recession. In the end you should have the technical tools and knowledge necessary to intelligently read about and discuss current and past macroeconomic events.

In general, we will be using many simple equations to build “toy models” of the economy. By playing with these, we can gain deeper intuition into the highly complex economic interactions that create real problems and benefits for people worldwide. Some of the most important national and international political issues concern the potential costs and benefits of economic policy (in)action. While these models don’t give easy, perfect answers, from them you will have a stronger understanding of the mechanisms and chains of causality that underlie these issues.

Class:

Attendance and participation are expected. You may use a tablet or laptop to take notes in class, but I highly recommend against using a laptop with keyboard. The act of writing greatly aids in retention, and minimizes distraction. I request that those of you who choose to use a laptop should sit in the back row to avoid distracting other students. I will also be requiring masks to be worn in class out of respect for our shared community and varying comfort and safety needs.

In most cases lecture will extend beyond the content of the textbook, so it is strongly encouraged you attend lecture. My lecture notes will not be available, so if you do miss a class you should plan on getting notes from a classmate- a wonderful opportunity to meet someone new! Lectures are intended to cover material from the book and connect the concepts to real world examples, providing additional in-class practice when appropriate.

Grade Policy:

There will be 5 components of your final grade.

Midterm 1 20% Homework & Attendance 20%

Midterm 2 20% Project 10%

Final 30%

Exams:

The midterm exams will not be cumulative beyond the cumulative nature of the material. The final is cumulative. I do not give make-up exams nor do I give exams early/late. Any unexcused absence on an exam day will result in the final exam being re-weighted to include the midterm missed. You should not make this your plan. Finally, no cell phone or graphing calculators are permitted for exams. I will provide calculators during exams for those of you without a “basic” scientific calculator- you’ll want to be able to use exponents. Exams will take place in class as listed on the calendar below. I will proctor all exams as per department policy for core courses.

Homework:

Over the semester there will be several problem sets due. No late assignments will be accepted, and no assignment will be dropped from your grade. The problem sets are posted on Canvas now. A hard copy is due at the beginning of class on the given date. They are intended to apply the theory and concepts from the textbook and lecture and help prepare you for the exams. I encourage you to work in small groups on these assignments, though I require everyone to turn in their own copy. You should write on your homework the list of people you work with to complete assignments. Each problem set will make up an equal amount of your overall grade.

The second part of your homework component is to write two op-ed “articles” about a current topic that relates to class. This will get you some practice relating class materials to the real world before your presentations. You will write one op-ed about the long-run and one about the short-run. If you don’t know what this means, don’t worry you will soon. You may use any topic you like, and if you need help finding something I’m happy to help. You will find more detailed instructions on the canvas site. These will be worth the same as two problem sets, each.

Projects & Presentations:

These will be completed in small groups, and will act both to help you review for the final exam and to help you apply the skills you’ve learned throughout the semester to a more “real-world” setting and current events topics. A full rubric is posted on Canvas.

Tentative Course Outline:

Due dates and exam dates are firm. Topic coverage is subject to change.

Week #	Topic(s)	Chapter(s)
Week 1	Intro to Macro, Production & Growth	1, 2, 3, 4
Week 2	Production & Solow	4, 5
Week 3	Solow	5
Week 4	Solow & Romer	5, 6
Week 5	Romer & Labor	6, 7
Week 6	Labor & Exam 1	7, 1-7
Week 7	The Short Run, Inflation & The IS Curve	8, 9, 11, 12
Week 8	Monetary Policy & The Phillips Curve	11, 12
Week 9	IS-MP-PC & Exchange Rates	20
Week 10	Government & Exam 2	
	Thanksgiving Break	
Week 11	Presentations & Presentations	
Week 12	Presentations & Wrap-Up, CRFs	All
	Final	

Problem Sets and Writing Assignment Due Dates:

Math Practice due Sept. 16 Week 1

PS1 due Sept. 23 Week 2

PS2 due Oct. 7 Week 4

PS3 due Oct. 12 Week 5

PS4 due Nov. 11 Week 9

PS5 due Nov. 18 Week 10

PS6 due Dec. 3 Week 13

Op-Ed 1 (Long-Run) due Oct. 28 Week 7

Op-Ed 2 (Short-Run) due Dec. 9 Week 12

Reflection Piece due at Final Exam

Exam Dates:

Exam 1 Oct. 19 Week 6

Exam 2 Nov. 16 Week 10

Note: Both exams will be in class. I will proctor these exams per department policy.

Final Exam TBA (During Finals Week). I will let you know in class, via email, and on Canvas once the school completes the schedule.

Office Hours:

These are for your benefit, please take advantage of them. It is an excellent opportunity to get individual or small group help to clarify concepts from class. If my office hours do not work for you due to another class or work, please email me and we can arrange a time to meet.

Email:

Please use email wisely. I will do my best to respond to emails in a timely fashion, usually less than 24 hours- I will not respond out of regular business hours (M-F 8-5). If your question has to do with clarification, it may be difficult to explain fully over email, so I will often suggest coming to office hours. If I feel the entire class could benefit from the clarification, I will do so in class time.

An Addendum: You should write your emails as if you are in a professional environment (you are!). This means an appropriate salutation, full sentences, and an appropriate sign-off. Just humor me on this, I am a curmudgeon.

Extra Help:

Do not hesitate to come to my office during office hours or by appointment to discuss a homework problem or any aspect of the course- or really any other help or advice you might need. The Center for Teaching, Learning, and Research has tutoring for ECON-250. You can find more at: <http://middlebury.edu/academics/resources/ctrl/students> If you find you'd like individualized help, I'm happy to meet with you one on one, or suggest a private tutor from a previous semester who I think will be good.

A Note About Civility and the Classroom

I view my job in this course in two ways. The first is very literal, and it is my responsibility to help you learn about Macroeconomic Theory, and to acquire skills I think will help you to be successful in a wide range of situations in your future. I have chosen the course materials and assignments primarily with this aim in mind. The second job I have is to challenge you to think outside of our Middlebury bubble, and to become comfortable in a variety of situations. For some of you this will start in the first week when you're introducing yourself, and answering questions in class. For others it will begin with your group work, and sharing with the class. For still others it won't happen until you have to share your own research ideas. Regardless of when it happens, know that our classroom is a space where we will all be participating and sharing new ideas. You should recognize that some members of our class space will be more comfortable with some materials than other. This does not make their perspective better or more important. If I do my job well, we will all struggle a bit at some point. Struggle is good. Struggle is real, in-depth learning, and that's why we're here.

I rely on you to be respectful to each other, and focus any critique on the material, not the person. We all come to this place with very different histories and experiences, and every one of them is equally valid. I expect you all to participate in class, and contribute to discussions. I tend to cold-call if there are no volunteers; if this causes particular anxiety for you, please speak with me separately to work out a solution. If you have any personal circumstance that might prevent you from doing so in the ways outlined in this syllabus and on the course website, please come talk to me (or email me) so we can work together to make sure you are able to contribute in a way that benefits everyone.

Honor Code & Accommodations

All students are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the appropriate authority.

Students with documented disabilities who believe that they may need accommodations in this class should contact me as early in the semester as possible to ensure that such accommodations are implemented in a timely fashion. Assistance is available through the Disability Resource Center (DRC). Please contact ADA Coordinators Jodi Litchfield and Peter Ploegman of the DRC at ada@middlebury.edu for more information. All discussions will remain confidential.

If you need help- any kind of help- please do not hesitate to ask for it! I am only one resource for you, and the school has many others. Use them, please!