American University

Intermediate Macroeconomics

ECON 301

Semester:	Spring 2023
Time:	T and F, 4:05pm - 5.20pm,
Place:	KSB T58

Instructor:	Prof. Ignacio González	**TA:**	Eduardo Lederman Rawet
Email:	ignaciog@american.edu	**Email:**	el2162a@american.edu
Office:	Kreeger 123	**Office:**	Zoom meeting
Office Hours:	T, 1.30pm - 3.30pm	**Office Hours:**	Fr, 1pm- 3pm
		TA sessions:	Fr, 1pm- 2pm *(1st half of OHs, just when HW are due)*

Course Description and Objectives: This is an intermediate college-level macro course that focuses on the principles that apply to an economic system as a whole. We will learn how macroeconomists use models and analyze data to understand why economies grow (long-run macroeconomics) and why economies fluctuate (short-run macroeconomics). We will learn how production, employment, prices and interest rates are determined, and what type of stabilization policies, fiscal or monetary, can improve economic performance. By the end of this course, you should be able to present a well-reasoned view of major macroeconomic events, such as the Great Recession in the U.S. or the Covid-19 crisis, and formulate a motivated opinion on the fiscal and monetary responses associated to those events. You will also learn how to analyze graphs and data and to use mathematical reasoning to explain macroeconomic phenomena.

Prerequisites: ECON-100 (Principles of Macro) and ECON 200 (Principles of Micro).

Course website: Check Canvas at least once every 3 days. Relevant course material will be posted there: `http://canvas.american.edu`. Lecture slides and other material will be posted regularly.

Required Reading:

- The textbook I follow most closely is *Macroeconomics* by Charles I. Jones, 5th edition, W.W. Norton & Company. *Macroeconomics* by N. Gregory Mankiw, 10th edition, Worth Publishers covers most of the material as well. See the course materials for required chapters by topic. You can use older editions but you must check my teaching materials in case there is something that previous editions do not cover.
- The material covered in class will often deviate from the book.
- Slides and additional readings will be available on Canvas.

Class policy:

- Our class meetings are on Tuesday and Friday, 4.05pm-5.20pm (ET).

- Students are expected to attend all sessions. You must not email me if you are not attending a lecture. I will check attendance from time to time. Recurrent lack of attendance will have a negative impact on your participation grade. Excused absences include major religious holidays (posted annually by the Office of Provost and Kay Spiritual Life Center), medical or mental health events, and athletic team events. In these cases, you can email me letting me know in advance.
- You are responsible for making up all work missed as a result of absences. Be aware that exams may contain questions that are covered in the class and are not available in the textbook and/or readings.

Grading Policy:

- Class Participation (15%) Midterm exam (30%), Home Assignments (20%), Final exam (35%).

Participation: Class participation is a very important part of this course. It is not only a percentage. It is also the way we share doubts and ideas about a material that is new and complex. I will try to encourage participation in a way that everybody feels confident. Participation in discussions of specific readings are particularly important. While your participation grade is subjective, it will not be random or arbitrary. You will be evaluated on the quantity and quality of your contributions and insights. Importantly, I use the assessment of your participation to manage borderline grades. Class attendance does not count for participation (but –again– recurrent lack of attendance will have a negative impact on your participation grade).

Exams:

- All the exams are closed book. The midterm exam will (tentatively) cover the first half of the course. The final exam will be cumulative and will cover the entire course material, but more emphasis will be placed on the second half of the course.
- Unexcused absences from exams will result in a zero score in the calculation of the final grade.
- There are no make-up exams – except in cases of documented medical or family emergencies. I take this very seriously because designing a personalized exam is very costly for the instructor.

Home assignments: There will be several assignments throughout the semester. Assignments are graded and are also an important part of your preparation for the exams. You can work in groups to solve them. However, each student must hand in their own answers. You must type the answers and submit a single pdf file for each assignment. I suggest you use Word, Google Docs or Lyx, which have good equations editors. When needed, you can draw diagrams by hand and add them to the document as a figure, but I recommend you use the drawing tools in Word, Google Docs or any other program. You have to submit your assignments using Canvas. If for any reason Canvas is not working, you must send a copy via email to our TA, never to me.

Submission Policy for Home Assignments: Home assignments have to be submitted before the indicated deadline. For every day an assignment is late after the assignment is due, 20 per cent will be deducted from the assignment grade. For example, if your submission is 2 days late and you are awarded full points (100), your final grade on the assignment would be 60 points (2 days late x 20 per cent deduction per day = 40 per cent Late Penalty). For the calculation of the Late Penalty, days late will be rounded up to the next whole number. For example, if a student submits 1.3 days late, the Late Penalty will treat the student as 2 days late. No exceptions to this policy will be made, apart from documented medical or family emergencies (in these cases, an ad-hoc deadline with no penalty

will be agreed on a case-by-case basis).

Office Hours: Office hours will be held in my office during the time specified above. Wearing a mask is required. TA's office hours will be held in Canvas (Zoom) during the time specified above, and will be devoted to explain the solutions of submitted assignments (the weeks assignments are due) and address other questions related to the material covered in class.

Incomplete Grade: If, for different reasons, you cannot complete all the required work by the end of the semester, you might receive an incomplete grade, but only at my discretion.

Important Dates:

First day of class	January 17th, 2023
Midterm Exam	March 3rd, 2023
Spring Break (no class)	March 14th and 17th, 2023
Last class	April 28th, 2023
Final Exams week	May 5h - 10th, 2023

Academic Integrity:

- Students must comply with the Academic Integrity Code available at `http://www.american.edu/academics/integrity/code.cfm`.
- You should read it carefully, particularly section II.A (definition of academic integrity violations, including plagiarism and dishonesty in examinations) and section III.C (sanctions).

Academic Support:

- All students may take advantage of the Academic Support and Access Center (ASAC) for individual academic skills, counseling, workshops, tutoring and writing assistance, as well as Supplemental Instruction.
- Students who wish to request accommodations for a disability, must notify me with a letter of approved accommodations from the ASAC. As the process for registering and requesting accommodations can take some time, and as accommodations, if approved, are not retroactive, I strongly encourage students to contact the ASAC as early as possible. For more information about the process for registering and requesting disability-related accommodations, contact ASAC.

Technology during the lecture: The use of laptops and tablets is allowed in the classroom, but only for educational purposes (i.e. to take notes). The use of cell phones is not allowed. You should be aware that the use of electronics for non-educational purposes is highly disruptive for your learning and distracts from course discussions (numerous experimental studies have shown that the misuse of personal technology is causally related to poor performance in courses).

Course Outline and Tentative Calendar:

Introduction to Macroeconomics.
Jan 17th

Measuring the Macroeconomy: Macroeconomic Aggregates, Prices and Growth Rates
Jan 20th to Jan 27th

National Income Determination: A General Equilibrium model.
Jan 31st to Feb 7th

Economic Growth. The Solow Growth Model and beyond.
Feb 10th and Feb 14th

The Labor Market
Feb 17th to Feb 24th

Money and Inflation.
Feb 28th to March 6th

Midterm exam
March 3rd

The Short Run: The IS curve
March 21st to March 28th

The Short Run: Monetary Policy, the IS-MP Diagram and the Philips Curve. Stabilization policy
March 31st to April 11th

Stabilization Policies during the Great Recession and the Covid Crisis.
April 14th to April 21st

The Government, Public Debt and Deficits
April 25th and April 28th

Final Exam
May, week 5th-10th, (date TBC)