



Intermediate Macroeconomic Theory

ECO 202 – Wesleyan College

Syllabus

Summer 2024, May 13 - June 14

Professor Contact Information

Professor: TBA.

Office Hours: By appointment

Contact Information: TBA

Text/ISBN: The required text is *Macroeconomics*, by Dornbusch, Fischer, and Startz. In addition, I would recommend that students follow the business pages of their local newspaper, the Economist, the Wall Street Journal, or other periodical. It would be helpful and interesting for the class for students to point out how what we study is being applied in the current marketplace.

Policies and Procedures

Course Goals

To examine the economy-wide consequences of the choices we make, individually and collectively. A defining feature of macroeconomic events is interaction and interdependence, reflecting the linkages among decision-makers and among various segments of the economy that extend even to events and policies taking place in distant parts of the world.

Content

This course is a continuation of the study of the structural framework and principles involved in the determination of the level of aggregate economic activity. Primary emphasis is placed upon the development of models which explain the behavior of national income, output, employment, price levels and interest rates.

Prerequisite

ECO 102 Issues in Macroeconomics, ECO 104 Issues in Microeconomics, and MAT 205 Calculus I

Credit Hours

3

Student Learning Outcomes

Upon successful completion of this course, you should be able to:

1. Understand the nature and construction of key macroeconomic data
2. Understand macroeconomic concepts and models, their construction and use



3. Master the concepts, tools, and intuition of macroeconomics principles and creatively apply them to better understand government policies.
4. Apply the basic macroeconomic tools to interpret and analyze historical and current events

Participation and Grading

Your final grade will be weighed as follows.

| Assignments | Percentage |
|----------------|-------------|
| 1 Presentation | 10% |
| 2 Quizzes | 10% |
| 2 Exams | 70% |
| Participation | 10% |
| Total: | 100% |

Quizzes

There will be 2 quizzes. They are during Week 2 and Week 4. Each Quiz is worth 5%. Each quiz will cover all of the material preceding the quiz, but not material before a previous quiz. The goal of these quizzes is to show what the exam questions will be like and to prepare students for the exams. The due dates of the quizzes are shown in the class schedule.

Exams

Exam 1 will be held on the Wednesday of Week 3. Exam 2 will be held on the Thursday of Week 5. Each Exam is worth 35%. Exams are not cumulative, so Exam 2 will cover material after Exam 1. Students are of course expected to work alone. A successful exam will require a student to use models, math, graphs, and explanation. A student will not receive full credit on exam questions for simply completing math portions. They must use graphical models when available, label and explain model components, and most importantly, students must WRITE explanations. There must be discussion of the model, its significance, and the issue in question. Discuss, explain, describe, analyze. Write.

Policy Paper

Students will be required to write a policy paper, analyzing the macroeconomic policy of a real country. The paper will ask the student to apply the IS-LM-BOP Model to a real economy and economic conditions there. The paper will propose a policy, and use the model to explain the predicted outcome. Students may choose any country. The goal will be to identify a country, describe real-life economic conditions in that country today, and apply the IS-LM-BOP model to a chosen policy. All tools at a student's disposal are to be used—graphs, math, models, and most importantly, discussion. This is a paper. It asks you to apply a model to real life and use the model to analyze what policies might work or not in a given country. The paper is due at the end of the semester term.



Presentations

Students will be required to prepare a presentation with PowerPoint slides on a macroeconomics topic. Topics will be agreed upon during the first week of class, and the presentations will be spread over multiple days in Week 3, 4, and 5. These presentations should be of a current event or macroeconomics story found in any country of your choosing. A successful presentation will take a concept from the textbook and apply it to a real life story from the news. Students may choose their topic, but it is best to check with the professor if in doubt about any topic. The due date for these presentations is by the end of the semester.

Late Policy

Students are expected to submit materials on time. To be fair to other students, any late submission of any material will be reduced in grade by 10 percentage points per day.

Grading Scale

The grading scale in the class will be as follows:

- A=90-100%
- B=80-89%
- C=70-79%
- D=60-69%
- F=59% And Below

You may track your running point total throughout the term via our course site. Please be aware, however, that the course grade you see in the site will reflect only assignments and activities you have already completed and that your professor has graded.

Academic Integrity

Wesleyan's College expects student to show integrity in all their work. Cheating, plagiarism, unauthorized collaboration, inventing or falsifying information, turning in work for more than one class without authorization, or helping someone else are all violations of the Honor Code and are not tolerated. Any of these forms of cheating will not be tolerated and will be grounds for a grade of zero on the exam or assignment and a grade of F for the course, in addition to any penalties imposed by the Provost.

Potential Changes to Course Schedule

The following week-to-week schedule is a general plan for the course. Deviations may be necessary and will be announced in advance via announcement and/or e-mail. Students should check their course site announcements and emails at least once every twenty-four hours throughout the term to watch for updates regarding this course.



Course Schedule

| Week | Day | Chapter | Topic | Quiz/Exam |
|--------|-------|---------|--|--|
| Week 1 | Mon. | 1,2 | Introduction, National Income Accounting | |
| | Tue. | 3 | Growth Economic, Solow Model | |
| | Wed. | 4 | Endogenous Growth Model | |
| | Thur. | 5 | Aggregate Supply and Demand | |
| | Fri. | | Quantitative Problems and Solutions | |
| Week 2 | Mon. | 6 | Aggregate Supply, Philips Curve | |
| | Tue. | 7 | Unemployment | Quiz 1 |
| | Wed. | 8 | Inflation | |
| | Thur. | 10 | Income and Spending | |
| | Fri. | | Quantitative Problems and Solutions | |
| Week 3 | Mon. | 10 | Income and Spending | |
| | Tue. | 11 | Money, Interest, Income | |
| | Wed. | 12 | Money, Interest, Income | Exam 1 |
| | Thur. | 12 | Monetary and Fiscal Policy | |
| | Fri. | 12 | Quantitative Problems and Solutions | |
| Week 4 | Mon. | 13 | International Linkages | |
| | Tue. | 13 | International Linkages | |
| | Wed. | 14 | Consumption and Saving | Quiz 2 |
| | Thur. | 15 | Investment Spending | |
| | Fri. | | Quantitative Problems and Solutions | |
| Week 5 | Mon. | 16 | Demand for Money | |
| | Tue. | 17 | The Fed | |
| | Wed. | 19 | Financial Markets and Asset Prices | |
| | Thur. | | Quantitative Problems and Solutions | |
| | Fri. | | Exam | Exam 2 Paper Due Presentation Due |



Civility in the Academic Community

Students, faculty, and staff are expected to treat one another with respect in all interactions both during class meetings and on the Moodle course site. Rude, disruptive and/or disrespectful behaviors as determined by a faculty member interfere with other students' rights and with the professor's ability to teach. Therefore, any student exhibiting unacceptable behaviors during a class meeting or Moodle collaborative activity will be asked to leave and will be counted absent for that class period or activity. Failure to cooperate with this process will result in disciplinary action that may include withdrawal from the class or dismissal from the College. Violations will be reported to the Provost.

Disabilities Statement

Wesleyan College is committed to equal education, full participation and access to facilities for all students. Any student who requires reasonable academic accommodations, use of auxiliary aids or facility access for a class must first register with Disability Resources by contacting Jill Amos, Director of Disability and Advocacy Services, jamos@wesleyancollege.edu or (478) 757-5219. If reasonable accommodations are established, students should request Accommodation Letters from Disability Resources then schedule an appointment to meet with the professor to determine how the accommodations will be implemented for each class as early in the semester as possible. Accommodations require advance notice to implement and will not be retroactively administered for the semester. Accommodations that decrease the integrity of a course will not be approved.

Privacy in Teaching & Learning Spaces

In order to promote an environment in which ideas may be freely expressed, the interior offices; in-person and virtual classrooms; and Moodle course sites at Wesleyan are private spaces. The unauthorized creation of photographic images, audio recordings, or video recordings of students or faculty in these spaces is considered to be disruptive behavior which may result in a student's removal from class according to the professor's discretion. The distribution of unauthorized images or recordings, or of class meeting recordings shared by a professor for instructional purposes, without the express written permission of the College is strictly prohibited and is subject to disciplinary action by the Provost of the College.