



## ECON104.002: Introductory Macroeconomic Analysis and Policy

111 Forum Building

Tuesdays & Thursdays 10:35AM – 11:50AM

### Contact Information:

James E. Tierney ([www.jamestierney.com](http://www.jamestierney.com))

Email: [jtierney@psu.edu](mailto:jtierney@psu.edu)

Office Location: 319 Kern Building

Office Phone: 814-865-7383

Office Hours: Tue/Wed/Thu: 8a – 9a

Additional hours available through

[www.calendly.com/James\\_Tierney](http://www.calendly.com/James_Tierney)

### TA Information:

Jinwen Wang

Email: [jxw490@psu.edu](mailto:jxw490@psu.edu)

Office Hours Location: 320 Kern Building

Office Hours: Mondays 1:45pm – 2:45pm

Fridays: 1pm – 2pm

Last Updated: 9.5.2019

### Important Dates:

First Class Meeting on:	Tuesday, August 27th
Regular Drop Deadline	Saturday, August 31 <sup>st</sup> (11:59p)
Regular Add Deadline	Sunday, September 1st (11:59p)
<b>Exam 1</b>	<b>Thursday, September 26th</b>
Final Exam Conflict Filing Period	September 23 <sup>rd</sup> – October 13 <sup>th</sup>
<b>Exam 2</b>	<b>Thursday, October 31st</b>
Late Drop Deadline	Friday, November 15 <sup>th</sup> (11:59p)
NO CLASS: Thanksgiving Break	November 24 <sup>th</sup> – 30 <sup>th</sup>
<b>Exam 3</b>	<b>Thursday, December 5th</b>
Last Class Meeting	Thursday, December 12 <sup>th</sup>
Final Exam**	<b>TBD</b>

\* The final exam date/time/location is set by the registrar.

## **Welcome Statement:**

My name is James Tierney and I will be your instructor this semester. My goal for this class is to give you a strong understanding of economics, prepare you for intermediate macroeconomics, and get you interested in the topic that I have grown to love.

You can learn more about me as a professor at [my website](#). You can start [following me on Twitter](#) or [on Instagram](#) for economics and education updates and/or follow [my dogs', Penny & Dakota, on Instagram](#) for cuteness overload. I will also be using [Canvas](#) heavily though out the course so please log in frequently.

Please do not hesitate to ask me questions throughout the semester. My email & office hours are above.

## **Course Description:**

ECON 104 is an introduction to macroeconomic analysis and policy. The principal objective of the course is to enable students to analyze major macroeconomic issues clearly and critically. Students will be introduced to the methods and tools of economic analysis, and these analytical tools will be applied to questions of current policy interest. Broadly, the course focuses on the determination of national income, on unemployment, inflation, and economic growth in the context of a global economy, and on how monetary and fiscal policy, in particular, influences the economy. Learning the methods and tools of economics and applying them to interesting policy questions and issues is sometimes called "thinking like an economist." An important goal of this course is to take each student as far down the road of "thinking like an economist" as possible.

## **Prerequisites:**

None

## **Course Learning Objectives:**

I have developed 5 main learning objectives I want you to get out of this class. If by the end of the class you understand these 5 areas completely, I will be happy.

1. Understand how economists use data and how to access said data.
2. Understand the three main macroeconomic statistics, how they are calculated, and the pros/cons of each.
3. Understand what is meant by economic growth and how we model economic growth within the US and around the globe.
4. Understand how the Federal Reserve System works and how/why/when the FOMC conducts monetary policy as well as its limitations and unintended consequences.
5. Understand how/why/when Congress and the President conduct fiscal policy as well as its limitations and unintended consequences.

## **Required Materials:**

### **1. eText & MyEconLab Access (\$99.95 Online)**

To succeed in this class, you must purchase the textbook along with the online module. The required eText for this course is *Macroeconomics, 7th Edition* by R. Glenn Hubbard; Anthony Patrick O'Brien. **ISBN-13: 978-013-473945-8** to complete the homework, quizzes and get unlimited practice problems, you will need to register for an account with MyEconLab at <http://www.myeconlab.com> with your unique course I.D. **tierney66365**. **You must use your Penn State email address when registering.**

A bundle of the eText and MyEconLab is available at the bookstore or online (for a cheaper price). You will need this textbook to not only complete the homework and quizzes but also to all do the readings. You must complete the readings for this class to succeed. *For more information about your required textbook and purchasing options, please check out the required materials module on Canvas.*

### **2. iClicker 2 (~\$50 but will use for multiple classes)**

You will be earning points for attending class through iClicker 2. This clicker must be registered at [clickers.psu.edu](http://clickers.psu.edu). A lot of students already have an iClicker 2 because many classes require one. If you do not have one, you can get one at the bookstore or you can [order one on Amazon](#).

### **3. New York Times (NYT) Access (Free as a PSU Student)**

As a Penn State student, you already have free access to the NYT in print form on campus at multiple locations. You can also get free digital access by signing up here: [www.newspapers.psu.edu/home-2/nyt/](http://www.newspapers.psu.edu/home-2/nyt/)

### **4. Wall Street Journal (WSJ) Access (\$15 for the semester)**

As a Penn State student, you can get a deeply discounted WSJ subscription. You get The Journal for a dollar a week for 15 weeks. Please purchase this the first week of class so it is valid through the end of the semester. The yearly subscription is \$49: an amazing deal. I strongly urge you to get it.

To get this deal all you need to do is follow our class-specific link here: <https://r.wsj.com/PROF5udg>. You will need to sign up with your Penn State email address.

### **5. Non-Programmable Calculator (\$10 at Amazon)**

For the exams, you will need a non-programmable calculator. If you bring a graphing-type calculator to the exam, you will not be able use it and you will be at a great disadvantage. If you do not have a non-programmable calculator, I suggest [buying this one from Amazon](#) for around \$10.

## **Optional Materials:**

### **1. Student Course Packet (\$4.65 at bookstore)**

A student course packet can be found at the bookstore for under \$5. Or you can buy it as a bundle with the MyEconLab and eText. It is up to you. This course packet will provide practice problems for most lessons we do (I'm in the process of updating!).

## Grading Policy:

Your final grade will be composed of **Participation & Attendance, MyEconLab Homework, MyEconLab Quizzes, 3 in-class exams, and a final exam.**

Participation & Attendance	5%
MyEconLab Homework	7.5%
MyEconLab Quizzes	12.5%
Exam 1	17.5%
Exam 2	17.5%
Exam 3	17.5%
Final	22.5%
<b>Total</b>	<b>100%</b>

## Grade Distribution:

Below is the guaranteed distribution of grades in our class. In order to receive an A in my class you must show exception achievement.

Percentage	Grade	Quality of Performance as Stated by Penn State
93% and above	A	<b>Excellent</b> - Exceptional Achievement
90% - 92.9%	A-	
87% - 89.9%	B+	<b>Good</b> - Extensive Achievement
83% - 86.9%	B	
80% - 82.9%	B-	
77% - 79.9%	C+	<b>Satisfactory</b> - Acceptable Achievement
70% – 76.9%	C	
60% – 69.9%	D	<b>Poor</b> - Minimal Achievement
Below 60%	F	<b>Failure</b> - Inadequate Achievement

## Assessments:

You will be required to complete a MyEconLab homework assignment and a MyEconLab quiz for each lesson (11 lessons). You must sign up for MyEconLab using your course I.D. **tierney66365** in order to access the homework and quizzes. I will drop your lowest MyEconLab Quiz. There will be three exams and a final as well in this class. These are all explained in more detail below.

There will also be 5% participation which will include both turned in assignments as well as iClicker 2 Questions.

### **Participation & Attendance (5%):**

Attendance in this class is required and necessary to succeed. To track attendance, we will be using the iClicker 2 to answer basic questions. You can [order one on Amazon](#) if you do not have one. **You must register your Clicker at [clickers.psu.edu](http://clickers.psu.edu)**. Each clicker question will be worth 2 points with 1 point awarded for answering and 1 point awarded for a correct answer. You will also have occasional in-class activities, pop quizzes, and take-home assignment. Points on these participation assignments will vary.

The final grade you will earn on participation and attendance will be the percentage of the total participation points you earn. With the exception of getting 80% or higher which will earn you 100%

### **MyEconLab Homework (7.5%):**

These assignments will range in length and difficulty depending on the lesson they are assigned to. You will have *unlimited attempts* at these homework assignments, can come in and ask me about them, and can work with as many friends as you want. These are for you to get comfortable with the material and you should get a very high score on each of them. They are due the night before the exam that material is on. All MyEconLab homework assignments will count towards your grade.

### **MyEconLab Quizzes (12.5%):**

Each quiz will be associated with a lesson we cover in class (11 total quizzes). These quizzes will range in difficulty depending on the lesson they are assigned to. You will get **one** attempt at these quizzes and be limited to **45 minutes**. I will be announcing due dates for these quizzes in class so you must attend. These are for you to really assess where you are in the class. Many of the questions will be similar to the homework or practice problems we completed in class but some will be brand new and you are expected to figure them out. Feel free to use your notes for the quizzes but remember you have a strict time limit. You cannot work with other students on the quizzes. I will drop your lowest MyEconLab Quiz.

### **3 Exams (17.5% each):**

There will be three (3) exams in this class: one on **Thursday, September 26th**, one on **Thursday, October 31st**, and one on **Thursday, December 5<sup>th</sup>**. **These will take place in our normal classroom at our normal class meeting time.** Each of these exams will be worth 17.5% of your total grade.

If you have an [excused absence](#) from one of the exams, **you must notify me before the exam starts**. You then must schedule a make-up exam and take a make-up exam ***ASAP (within a week at the latest)***. If you do not notify me of your absence before the exam starts, schedule a make-up exam or take said make-up exam within one week of the original exam, you will receive a zero on that exam.

In the unlikely event that an [excused absence](#) prohibits you from taking the exams or a makeup of the exam within a week, the weight ***may be*** placed on future exams. This type of emergency must be well documented and fall within the department's guidelines for [excused absences](#).

The exam format will be a mix of multiple-choice questions that focus on the textbook and extra readings as well as short-answer questions that will involve model solving, graphing, and policy analysis. You may use a non-programmable calculator on your exams but nothing else. All exams will be closed notes and closed book. All writing must be clear and legible. **Any cheating on any exam will result in a 0%.**

### **Final Exam (22.5%):**

The final exam will take place during finals week at a date/time/location set by the registrar office. Once this date/time/location is confirmed I will update the syllabus. This final exam will be 22.5% of your final grade, **will be cumulative**, and will be 100% multiple choice. It will contain 5 questions from each of the first 9 lessons (45 questions), 15 questions from each of the last 2 lessons (30 questions) for a total of 75 questions. There will also be 2 extra credit questions.

### **Regrade Policy:**

Once all exams are completed, I will post a key for the exam. You can then set up a time through [www.calendly.com/James\\_Tierney](http://www.calendly.com/James_Tierney) to come to my office and view your exam. From the day I announce the exams are ready to be picked up, you have five (5) business days to review your exam and ask for a regrade. Once those five (5) business days have passed, you can no longer ask for a regrade on your exam. If you do ask for a regrade, I will regrade your entire exam, not just the part you feel you were wrongfully graded on. I believe in fairness and will make sure your entire exam is graded fairly. Once you remove the exam from my office, you will no longer be allowed the opportunity of a regrade. After those initial five business days you can still pick up your exam but you cannot ask for a regrade

### **Academic Integrity:**

Penn State defines academic integrity as the pursuit of scholarly activity in an open, honest and responsible manner. All students should act with personal integrity, respect other students' dignity, rights and property, and help create and maintain an environment in which all can succeed through the fruits of their efforts (Faculty Senate Policy 49-20).

Dishonesty of any kind will not be tolerated in this course. Dishonesty includes, but is not limited to, cheating, plagiarizing, fabricating information or citations, facilitating acts of academic dishonesty by others, having unauthorized possession of examinations or former assignments, having someone else answer questions on your homework or quizzes and copying those answer word-for-word, submitting work of another person or work previously used without informing the instructor, or tampering with the academic work of other students. Students who are found to be dishonest will receive academic sanctions and will be reported to the University's Judicial Affairs office for possible further disciplinary sanction.

This includes using anything (cell phone, Smart Watch, other students papers) other than a **non-programmable calculator** on any exam. You may work together on homework but not on quizzes.

### **Technology:**

Students are expected to have access to a computer and internet to view and complete the homework & quizzes. Students are expected to know how to operate these items. You will need to use Penn State's Learning Management System (LMS) [Canvas](#) in order to access course materials. Check the Canvas website and your email daily. It is my primary way of passing information & announcements to the class.

You can use laptops in my class as long as they are not distracting to me or any other students. However, I do strongly urge you to put away the technology. The research clearly shows that use of technology in the classroom hinders students' learning. For more information you can listen to [this NPR story on why you should take notes by hand](#). Or read [this paper](#) (need to be on campus to access) on how we can reduce cognitive load.

## **Statement of Nondiscrimination:**

The Pennsylvania State University is committed to equal access to programs, facilities, admission and employment for all persons. It is the policy of the University to maintain an environment free of harassment and free of discrimination against any person because of age, race, color, ancestry, national origin, religion, creed, service in the uniformed services (as defined in state and federal law), veteran status, sex, sexual orientation, marital or family status, pregnancy, pregnancy-related conditions, physical or mental disability, gender, perceived gender, gender identity, genetic information or political ideas. Discriminatory conduct and harassment, as well as sexual misconduct and relationship violence, violates the dignity of individuals, impedes the realization of the University's educational mission, and will not be tolerated.

Direct all inquiries regarding the nondiscrimination policy to:

Dr. Kenneth Lehrman III  
Vice Provost for Affirmative Action  
Affirmative Action Office  
The Pennsylvania State University  
328 Boucke Building  
University Park, PA 16802-5901  
Email: [kfl2@psu.edu](mailto:kfl2@psu.edu)  
Tel (814) 863-0471

I am a member of the Penn State Safe Zone Ally Network, and I am available to listen and support you in a safe and confidential manner. As a Safe Zone Ally, I can help you connect with resources on campus to address problems you may face that interfere with your academic and social success on campus as it relates to issues surrounding sexual orientation and gender identity. My goal is to help you be successful and to maintain a safe and equitable campus.



For more information visit the Penn State LGBTQA Student Resource Center in 101 Boucke Building or at: <https://studentaffairs.psu.edu/lgbtqa>

## **Students with Disabilities:**

Penn State welcomes students with disabilities into the University's educational programs. Every Penn State campus has an office for students with disabilities. The Student Disability Resources (SDR) website provides contact information for every Penn State campus: <http://equity.psu.edu/sdr/campus-contacts>. For further information, please visit Student Disability Resources: <http://equity.psu.edu/sdr>.

In order to receive consideration for reasonable accommodations, you must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <http://equity.psu.edu/sdr/guidelines>. If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with an accommodation letter. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. You must follow this process for every semester that you request accommodations.



## **Counseling and Psychological Services:**

Many students at Penn State face personal challenges or have psychological needs that may interfere with their academic progress, social development, or emotional wellbeing. The university offers a variety of confidential services to help you through difficult times, including individual and group counseling, crisis intervention, consultations, online chats, and mental health screenings. These services are provided by staff who welcome all students and embrace a philosophy respectful of clients' cultural and religious backgrounds, and sensitive to differences in race, ability, gender identity and sexual orientation.

[Counseling and Psychological Services at University Park \(CAPS\)](#): 814-863-0395

[Counseling and Psychological Services at Commonwealth Campuses](#)

Penn State Crisis Line (24 hours/7 days/week): 877-229-6400

Crisis Text Line (24 hours/7 days/week): Text LIONS to 741741

## **Education Equity/Report Bias:**

Penn State University has adopted a "[Protocol for Responding to Bias Motivated Incidents](#)" that is grounded in the policy that the "University is committed to creating an educational environment which is free from intolerance directed toward individuals or groups and strives to create and maintain an environment that fosters respect for others." That policy is embedded within an institution traditionally committed to [academic freedom](#). Bias motivated incidents include conduct that is defined in University [Policy AD 91: Discrimination and Harassment, and Related Inappropriate Conduct](#). Students, faculty, or staff who experience or witness a possible bias motivated incident are urged to report the incident immediately by doing one of the following:

- \* Submit a report via the [Report Bias webpage](#)
- \* Contact one of the following offices:

University Police Services, University Park: 814-863-1111

Multicultural Resource Center, Diversity Advocate for Students: 814-865-1773

Office of the Vice Provost for Educational Equity: 814-865-5906

Office of the Vice President for Student Affairs: 814-865-0909

Affirmative Action Office: 814-863-0471

- \* Dialing 911 in cases where physical injury has occurred or is imminent

## **Extra Credit:**

There may be opportunities for extra credit in this class. The value of these opportunities will range with difficulty but will not amount to more than 2% of your overall grade in this course. Do not ask for extra credit as all extra credit will come from me and will be available for the entire class.



**Final Note:**

Lastly, please come by my office hours if you need help with this class or economics in general. I am holding three (3) hours of office hours per week so please do not hesitate to stop by. During the office hours listed above, you do not need an appointment. If you wish to meet outside of office hours, simply visit [www.calendly.com/James\\_Tierney](http://www.calendly.com/James_Tierney) which will allow you to schedule a time. If you schedule a time through Calendly and do not show up, you will not be allowed to schedule time in the future.

I intend on making this course informational, fun, and rigorous. As cliché as it sounds, you will get out of this course what you put in. I look forward to being your instructor for this course.

**Class Schedule:**

The following is the tentative class schedule subject to change with notice. The exam dates, however, will stay the same. Please visit [Canvas](#) to see the required readings for each lesson.

Lesson 1 – Measuring Macroeconomic Activity: GDP  
Lesson 2 – Measuring Macroeconomic Activity: Unemployment  
Lesson 3 – Measuring Macroeconomic Activity: Inflation

**Exam 1 – Thursday, September 26<sup>th</sup>**

Lesson 4 – Economic Growth & The Financial System  
Lesson 5 – Long-Run Economic Growth & Policies  
Lesson 6 – The Aggregate Expenditure Model

**Exam 2 – Thursday, October 31<sup>st</sup>**

Lesson 7 – Aggregate Demand & Aggregate Supply  
Lesson 8 – Money & the Fed  
Lesson 9 – Monetary & Fiscal Policy

**Exam 3 – Thursday, December 5<sup>th</sup>**

Lesson 10 – International Trade  
Lesson 11 – Current Topics

**Final Exam – TBD**