

Economics of Global Business

Macroeconomics is Exciting

- ▶ Big questions. . .
 - Why are some countries rich, others poor? How does a country grow like China?
 - What are the sources of business cycles? What can the government do to prevent/alleviate them?
 - What are the causes/consequences of globalization?

Why Do We Need This Knowledge?

- ▶ Accountants, marketing and strategy experts, consultants, entrepreneurs, traders, investment bankers. . .
They are all called to make important business decisions.

- ▶ Better decisions are made if you understand:
 - How macroeconomic conditions affect individual companies/products.
 - How the globalization changes competitive advantages.
 - How the business cycle shapes economic and financial risk.

- ▶ The goal is to give you tools to analyze these issues.

About the Course

- ▶ Big picture overview
 - Long run stuff—growth, cross-country analysis, international trade.
 - Short run stuff—business cycles, monetary and fiscal policy, exchange rates, financial crisis.
- ▶ See week by week summary of topics on course website
- ▶ **Warning: Class moves very quick, especially the first third.**
 - **Concepts learnt in the first couple of weeks are used repeatedly through out the rest of the course.**

About the Course

- ▶ My goals
 - Give you a “macro-economists” perspective on the world
 - Keep things simple—but not simpler!
- ▶ Data Sources
 - Course website: syllabus, notes, slides, etc.
 - TF: Information on syllabus.
 - Myself.

Course Website

About the Textbook

- ▶ One required textbook.
 - **Macroeconomics** by N. Gregory Mankiw (9th edition, though previous editions work as well.)
 - Hard copies should be available for purchase at the NYU Bookstore and other outlets (e.g. Amazon).
 - Customized E-book option available as well. Details on how to purchase are available in the syllabus.
 - This book contains a lot of information, I will only focus on a subset of topics.
- ▶ Notes for international topics such as trade and exchange rate.
 - Will be available on Course Website prior to starting these components.

About Slides

- ▶ These provide access to the core of the material we will cover.
- ▶ Think of these like brief lecture notes.
- ▶ Generally, I'm not going to stand up and click through them.

I'll lecture off the white board. These will closely follow what the slides talk through.

About the Blog

- ▶ I use this forum to...
 - Communicate with you about current events/economic news and how they fit in with the class material.
 - Discuss more nuanced issues related to class material.
 - Other information relevant to the class.
- ▶ Please follow regularly.

About Grades

| | |
|-----------------|-----|
| Professionalism | 5% |
| Online Quizzes | 10% |
| Problem Sets | 10% |
| Midterm # 1 | 20% |
| Midterm # 2 | 20% |
| Final | 35% |

About Online Quizzes

- ▶ Anticipating about 8-10 of them.
 - All online via Course Website.
 - Multiple choice type questions. Idea is to emphasize important concepts.
 - Several days to complete them.
 - If the online quizzes are not completed, you receive zero credit and there are no make up opportunities.

- ▶ Current online survey counts as one. Please complete it prior to January 31st.

About Problem Sets

- ▶ Five or six.
 - Mostly quantitative stuff with real data.
 - Some problems similar to ones on the exams.
- ▶ Before handing them out, I will discuss my expectations
- ▶ Group work is fine.
 - No more than 3 to a group.
 - Group of 1 is fine.
 - It's up to you.
- ▶ Grading:
 - Problem sets are graded as “check,” “check plus,” or “check minus.” Problem sets scored check or check plus earn full credit; check minus earns zero credit. **Late problem sets are not accepted.**

Exams

- ▶ There will be two in-class midterms. The midterms will be on:
 - **Midterm # 1: March 7, 2018.**
 - **Midterm # 2: April, 11 2018.**

- ▶ The Final will take place during the University specified time:
10:00am, May 11th, 2018

- ▶ Examination-Make-up Test Policy:

No rescheduling or makeups.

If you miss the midterm for a justified reason and provide evidence, your final score will be counted instead of the midterm exam.

About Grades

25-35% can expect to receive A's for excellent work

50-60% can expect to receive B's for good or very good work

5-10% can expect to receive C's or less for adequate or below work

Professional Behavior: Participation I

- ▶ Broad-based participation part of class design
 - Demands discipline from both of us!
- ▶ Each class I'll pick "volunteers" intended to keep you involved
 - Don't panic
 - Ask for help if you need it
- ▶ If you're stuck, here are some foolproof comments:
 - It depends
 - Fact of life
 - P2C2E

Professional Behavior: Participation II

- ▶ Keep things interesting—for you, your classmates, and me
 - Keep it short, keep it simple
 - First couple of classes, say your name before you speak. This will help me learn.

- ▶ Evidence of strong participation includes:
 - Listening attentively in class and volunteering to address review questions.
 - Providing evidence of having reviewed what done in previous classes.
 - Demonstrating interest in your peers' comments and questions.
 - Contributing insightful comments and questions.

Professional Behavior: Attendance

- ▶ I won't track attendance.
- ▶ I do have an idea of who shows up though.
- ▶ Keep in mind: **attendance is highly correlated with performance.**

Professional Behavior: Electronic Devices

- ▶ Please turn them off.
- ▶ Ditto cell phones, Iphones, Ipads, etc.
- ▶ Eating or drinking in class in any way that interferes with class decorum is inappropriate.

Professional Behavior: Start/End of Class

- ▶ We will start and end on time
 - 5 minutes early is great . . .
 - Packing up 5 minutes before the end . . . not so great

About Help

- ▶ If you get stuck, come see me
- ▶ Email the TF or myself.
- ▶ Will also use the blog to transmit FAQ that I receive or material that requires clarification.

About Helping Me

- ▶ If you have ideas, comments, questions, whatever:
 - Come see me
 - Send an email

About Me I

- ▶ Grew up in Anchorage, Alaska
- ▶ PhD in Economics, U.Iowa
- ▶ Previously worked at the Federal Reserve Bank of Minneapolis
- ▶ Research interests ...
 - Economic Growth and Development.
 - International economics.

About Me II

- ▶ Father of 4 year old AND one year old!
- ▶ Interests: Ice hockey, running, beer, financial markets
- ▶ Weakness: Bad speller