

ECON 3120
Intermediate Macroeconomics
FALL 2024 SYLLABUS

CLASS INFORMATION

Time: MWF 10:00am–10:50am (Sec. 01)
& MWF 11:00am–11:50am (Sec. 02)
Location: Cook Hall 236
Off. Hrs: MW 2:00pm–3:00pm & by appt.
Discord: discord.gg/SsrNPFeP2P

INSTRUCTOR CONTACT

Instructor: Fei Tan
Department of Economics
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Homepage: github.com/econdojo

GENERAL INFORMATION

COURSE DESCRIPTION

This course takes an intermediate level approach to macroeconomic theory and its applications, building on the foundations developed in the principles of economics. It will provide analytical tools and formal models to explain the behavior of output, inflation, employment, interest rates, exchange rates, and other aggregate economic quantities. This set of tools is used to understand current economic issues, forecast the behavior of the economy, and assess the impact of policy choices. This course is meant to train students to think in a structured, analytically rigorous way about macroeconomic questions. This training will allow students to use macroeconomics as an analytical tool rather than a set of assorted theories. Finally, it will help prepare students entering graduate education or starting careers in management, finance, or economic policy-making.

PREREQUISITES

ECON 1900 (Principles of Economics). In general, students should be familiar with the concepts of supply and demand, the basics of monetary and fiscal policy, and have some experience using equations, graphs, and tables to analyze economic situations. Students are also expected to be familiar with functions, their graphical representation, and the solution of simultaneous equations.

TEXTBOOKS

- **Required:** *Macroeconomics*, MyLab Economics with Pearson eText (access card), 8th Edition, by R. Glenn Hubbard and Anthony P. O'Brien. Students are required to have read the corresponding chapter of this textbook prior to each lecture.
- **Optional:** *Macroeconomics*, 6th Edition, by Olivier Blanchard and David H. Johnson.

- **Optional:** *Principles for Dealing with the Changing World Order: Why Nations Succeed and Fail*, by Ray Dalio.
- **Online resources:** github.com/econdojo/inter-macro.

CLASS ACTIVITIES

HOMEWORK

There will be three online assignments on MyLab Economics with a total of 18% or 90 points of the course grade. Please submit your completed work via MyLab Economics. You can find information about Pearson's privacy policy on the following webpage: www.pearson.com/en-us/legal-information/privacy-policy.html.

QUIZ

There will also be three in-class quizzes on Canvas with a total of 12% or 60 points of the course grade. To make a submission, please scan a PDF copy of your completed work and upload the file onto Canvas.

DISCUSSION

Class participation is strongly encouraged. Your properly documented in-class discussion will be rewarded with a maximum of 10% or 50 points of the course grade. There will be no credit points given for participation if you are not in class for any reason.

EXAMINATION

The examinations will be a combination of multiple choice and short essay questions. There will be two in-class exams with a total of 60% or 300 points of the course grade. Students are responsible for all materials presented in the textbook, lecture notes, and supplementary materials (if assigned) as preparation for exams.

GRADING POLICY

GRADING SCALE

All grades will be available on Canvas within two days of submission. There is no grading curve used other than the scale below. However, the instructor reserves the right to adjust the grading scale based on overall class performance at the end of the semester. The final grade for the course is based on the percentage of the adjusted total points earned. **Please periodically check your grade throughout the semester for accuracy.**

	Max Points	% of Total	Grade	Points	Percentage
Homework	90	18	A	500–455	100–91
Quiz	60	12	A-	454–430	90–86
Discussion	50	10	B+	429–405	85–81
Exam	<u>300</u>	<u>60</u>	B	404–380	80–76
Total	500	100%	B-	379–355	75–71
			C+	354–330	70–66
			C	329–305	65–61
			C-	304–280	60–56
			D	279–255	55–51
			F	254–0	50 or less

MAKE-UP POLICY

Late submission is not graded and will be nullified. There are no make-up exams. The points from the excused, missed exam will be placed onto the next exam. No make-ups are provided for homework or quiz. The missed homework and quiz points, due to an approved absence, will be considered when calculating your final grade.

IMPORTANT MISCELLANEOUS

Please read the following information thoroughly and carefully. I would assume that you have fully understood these rules. Some modification of policies may become necessary during the semester. The instructor will make explicit announcements pertaining to any such changes.

1. In recognition that people learn in a variety of ways and that learning is influenced by multiple factors (e.g., prior experience, study skills, learning disability), resources to support student success are available on campus. The Student Success Center, a one-stop shop, which assists students with academic and career related services, is located in the Busch Student Center (Suite 331) and the School of Nursing (Suite 114). Students who think they might benefit from these resources can find out more about: [i.] course-level support (e.g. faculty member, departmental resources, etc.) by asking your course instructor; and [ii.] university-level support (e.g., tutoring services, university writing services, disability services, academic coaching, career services, and/or facets of curriculum planning) by visiting the Student Success Center.

2. All students experience stressors and challenges at some point, and seeking support is beneficial. Such challenges may be the result of academic concerns (such as those related to particular assignments or content in a course), or they may be more personal in nature (such as concerns related to relationships, mental health, loss, identities, alcohol or drugs, housing or food security, or finances, among other things). For concerns related to this course, please contact me. I am invested in your success and will support your success in the ways I can. Additionally, you have access to the many resources SLU provides in support of your personal wellness. You will find a list of available resources on the [Well-being page of the SLU website](#).
3. Students with a documented disability who wish to request academic accommodations must formally register their disability with the University. Once successfully registered, students also must notify their course instructor that they wish to use their approved accommodations in the course. Please contact the Center for Accessibility and Disability Resources (CADR) to schedule an appointment to discuss accommodation requests and eligibility requirements. Most students on the St. Louis campus will contact CADR, located in the Student Success Center and available by email at accessibility_disability@slu.edu or by phone at 314.977.3484. Once approved, information about a student's eligibility for academic accommodations will be shared with course instructors by email from CADR and within the instructor's official course roster. Students who do not have a documented disability but who think they may have one also are encouraged to contact CADR. Confidentiality will be observed in all inquiries.
4. Academic integrity is honest, truthful and responsible conduct in all academic endeavors. The mission of Saint Louis University is "the pursuit of truth for the greater glory of God and for the service of humanity." Accordingly, all acts of falsehood demean and compromise the corporate endeavors of teaching, research, health care, and community service via which SLU embodies its mission. The University strives to prepare students for lives of personal and professional integrity, and therefore regards all breaches of academic integrity as matters of serious concern. Additionally, each SLU College, School, and Center has adopted its own academic integrity policies, available on their respective websites. It is the policy of Chaifetz School of Business that the "Giving and receiving of unauthorized assistance on any graded exercise constitutes academic dishonesty and may result in grade reductions and/or probation, suspension, or dismissal." All SLU students are expected to know and abide by these policies, which detail definitions of violations, processes for reporting violations, sanctions, and appeals. Please direct questions about any facet of academic integrity to your faculty, the chair of the department of your academic program, or the Dean/Director of the College, School or Center in which your program is housed.

5. Saint Louis University and its faculty are committed to supporting our students and seeking an environment that is free of bias, discrimination, and harassment. If you have encountered any form of sexual misconduct (e.g. sexual assault, sexual harassment, stalking, domestic or dating violence), we encourage you to report this to the University. If you speak with a faculty member about an incident of misconduct, that faculty member must notify SLU's Title IX coordinator, Anna R. Kratky (DuBourg Hall, room 36; akratky@slu.edu; 314-977-3886) and share the basic fact of your experience with her. The Title IX coordinator will then be available to assist you in understanding all of your options and in connecting you with all possible resources on and off campus. If you wish to speak with a confidential source, you may contact the counselors at the University Counseling Center at 314-977-TALK.

TENTATIVE COURSE OUTLINE

Below is a tentative outline that is designed to achieve the following learning objectives (LO). The instructor reserves the right to change it whenever needed. My goal is to proceed at an optimal pace: slow enough that important concepts are thoroughly learned, yet fast enough that the course does not drag. It is a delicate balance.

1. Measurement: how nominal/real GDP, inflation, and unemployment are computed.
2. Neoclassical growth model: the factors that determine the long-run growth path of the economy and living standards, including technological progress and public policy.
3. AD-AS/IS-LM models: the determinants of business-cycle fluctuations and the role of stabilization policy.
4. Classical model: the determinants (including fiscal/monetary policy) of real GDP, national saving, nominal/real interest rates, and inflation in the long run.
5. International: the relation between trade balances and international borrowing/lending and the implications of different exchange-rate regimes (floating/fixed).

LO-1	Introduction Syllabus Lecture 1: "Economics: Foundations and Models" Lecture 2: "GDP: Measuring Total Production and Income" Lecture 3: "Unemployment and Inflation"
LO-2	Long-Run Growth Lecture 4: "Economic Growth, Financial System, and Business Cycle" Lecture 5: "The Facts of Growth" Midterm Exam 1: Sep. 30, 10:00pm–10:50pm (Sec. 01) Midterm Exam 1: Sep. 30, 11:00pm–11:50pm (Sec. 02)
LO-3	Short-Run Fluctuations Lecture 6: "Aggregate Expenditure and Output in Short Run" Lecture 7: "Money, Banks, and Federal Reserve System" Lecture 8: "Goods and Financial Markets: IS-LM Model" Lecture 9: "Aggregate Demand and Aggregate Supply Analysis" Midterm Exam 2: Nov. 15, 10:00pm–10:50pm (Sec. 01) Midterm Exam 2: Nov. 15, 11:00pm–11:50pm (Sec. 02)
LO-4	Monetary and Fiscal Policy Lecture 10: "Monetary Policy" Lecture 11: "Fiscal Policy" Lecture 12: "Inflation, Unemployment, and Federal Reserve Policy"
LO-5	International Economy Lecture 13: "Macroeconomics in Open Economy" Final Exam: Dec. 9, 8:00am–9:00am (Sec. 01) Final Exam: Dec. 13, 8:00am–9:00am (Sec. 02)
