EC 235–002: Macroeconomic Theory

Fall 2023 – Course Syllabus

Economics Department | Skidmore College

When:	WeFr 12:20 PM–2:10 PM		
Where:	CIS 211 ([map](#))		
Who:	🎓 Marcio Santetti, Ph.D. (*he/him*)	✉ msantetti@skidmore.edu	
Office hours:	⧗ Mondays 12:30–2:00 PM	🏛 Filene 222	
	⧗ Fridays 2:30–4:00 PM*		
Web:	✎ [Course website](#)		

* Except on Department/Faculty meeting days.

Overview

This course provides an *analytical* study of the aggregate economy. While the ideas and principles learned in Introductory courses continue to be valid, we will explore similar issues—long-run economic growth, business cycles, unemployment, inflation, economic policies, etc.—through different *modeling* perspectives. In other words, we will develop several simple *mathematical* models to gain a stronger *intuition* about real-world macroeconomic issues. These tools, however, are not perfect. Therefore, we will also develop a *critical* assessment about the strengths and weaknesses present in different macroeconomic theories and policies.

Course Content Organization

Lecture notes, blog posts, and problem sets will be posted on the `Course website`. Students are strongly encouraged to **bookmark this page**, as it will be constantly updated throughout the semester. Additional readings, answer keys, and other files will be uploaded to `theSpring`. Students will also use `theSpring` to submit all assignments.

Outcomes

At the completion of the course, you will be able to:

1. Think *critically* about past and current macroeconomic problems;

2. *Intelligently* apply mathematical concepts to macroeconomic ideas;

3. Build *confidence* to debate different macroeconomic policies, events, and news.

Main References

This course has one **required** textbook:

- O. Blanchard, *Macroeconomics*, 8th edition, Pearson, 2021.

The most affordable option is its `eTextbook` version, available at the `Pearson website`. In case students prefer other formats, this link also contains different options.

While lecture notes will be strongly inspired by this textbook, a more diverse approach to the proposed topics will be adopted in class. Additional references are listed below.

- C. I. Jones, *Macroeconomics*, 4th edition, W.W. Norton & Company, 2018.

- R. T. Froyen, *Macroeconomics: Theories and policies*, 10th edition, Pearson, 2013.

- A. Abel, B. Bernanke, and D. Croushore, *Macroeconomics*, 10th edition, Pearson, 2021.

- E. Brancaccio and A. Califano, *Anti-Blanchard Macroeconomics: A comparative approach*, Edward Elgar Publishing, 2018.

Finally, you are *strongly* encouraged to read (trustworthy) news articles on a daily basis. Keeping up with news on *The New York Times*, *The Economist*, *Wall Street Journal*, *Financial Times*, *Project Syndicate*, among others, will offer you a much richer experience combining the principles studied in class and what is going on in the real world. Feel free to *share* any news article(s) you've read and could add value to the entire classroom.

Assignments, Exams, & Grading

Graded assignments will consist of the following:

- ***Problem sets*** (0%): As soon as enough content is presented, a new Problem Set will be made available. These are *ungraded* assignments, so you can take your time to go over them. However, mini-tests and exams will heavily rely on the problems given there. I will make the answer keys available only one day before exams. Therefore, make sure to work on them! I will also be always available in class/office hours for any questions regarding the Problem Sets.

- ***Mini-tests*** (20%): Mini-tests will consist of a *quiz* (10 True/False and short-answer questions) and one (1) *numerical/algebraic* problem. We will have four (4) mini-tests throughout the semester, and these will be 35-minute timed, in-class assignments.

- ***Blog posts*** (15%): We will maintain a *blog* throughout the semester, and each student group is required to submit *at least one* post. More information about this assignment will be given in a separate document.

- ***Midterm exam*** (25%, date TBD): The Midterm exam will consist of *essay-type* and *numerical/algebraic* problems. It will comprehend all course topics up to the IS-LM model lectures. We will discuss its date as we go. The exam is closed-book, and students may have a 1/2 sheet of paper with handwritten notes.

- ***Final exam*** (40%, see date below): The final exam will be comprehensive, with more emphasis placed on contents studied after the Midterm exam. The Final exam is also closed-book, and students may have a 1/2 sheet of paper with handwritten notes.

Attendance and late policies:

- Attendance and participation: One letter grade deduction if you miss more than **five** lectures. By missing any additional classes, you will lose a partial letter grade.

- Coming to class late will count as half of an absence.

- Late assignment submissions will have a grade deduction of at least 50%, increasing by 10 additional p.p. per day.

Important note: For *any* assignment, if an answer contains a direct "Copy+Paste" from the lecture notes, or if it is copied from someone else's work, **no credit will be given**. Read more in the Skidmore Honor Code, pages 8–12.

Letter Grade Distribution

Performance	*Letter Grade*
Excellent, superior performance	A (90–100%)
Good performance	B (80–90%)
Standard performance	C (70–80%)
Substandard performance	D (60–70%)
Unsatisfactory performance	F (0–60%)
* *Plus/minus where applicable.*	

Important Dates

- **Sep 6**: Classes begin
- **Sep 11**: "Add" deadline
- **Oct 9**: Study day
- **Nov 16**: Course withdrawal deadline
- **Nov 22–26**: Thanksgiving vacation
- **Dec 8**: Last day of classes
- **Dec 12**: Final exam, our classroom (6:00–9:00 PM)

Class Policies

You can expect me to:

- Grade and provide feedback on assignments and exams within one week from the due date;

- Reply to emails/messages within 24 hours during the week and within 48 hours on weekends and holidays;
  - *I do not reply to emails on weekends. Use them to relax!*

- Hold weekly office hours, where students can ask every question and talk about any issues/concerns relative to our course.

- Ignore emails/requests asking for any change in grades by the end of the semester.

I expect students to:

- Come to class on time;

- Stay in the classroom during the *entire* lecture. We will take a bathroom/snack break every class;

- Keep phones away through the duration of class; computers are welcome, but refrain from using them for anything but activities related to the class;

- Take the exams/turn in assignments on the scheduled dates. **No make-up** exams/assignments will be allowed;

- Respectfully participate in in-class discussions and activities;

- Immediately notify me in the event of an emergency that prevents you from doing an exam or completing the course.

Classroom Procedures – COVID-19

Skidmore College is committed to the health and safety of all members of our community and has implemented protocols based on recommendations from the CDC, New York State Department of Health, and Saratoga County Department of Health. The College is not requiring vaccinated individuals to wear a mask indoors; however, if anyone would like to ask that we all wear a mask at all times in our classroom, please speak with me outside of class, or contact me via email.

In case you test positive for COVID-19, the *priority* is for you to recover well, stay safe, and protect our course and college community. As you will not be able to attend class, please ask your classmates to share notes and impressions with you, as I will not stream lectures via Zoom nor teach the same lecture twice. After you grab the materials from your missed class(es), I am happy to see you during my office hours or going over any potential questions/concerns via Zoom. Once again, my *priority* is for you to recover and stay safe; you will be able to catch up with the content with no major problems!

Academic Integrity

An effective learning experience depends upon the ability of members of the academic community to trust one another and to trust the integrity of work that is submitted for academic credit. Such an atmosphere of mutual trust fosters the free exchange of ideas and enables all members of the community to achieve their highest potential.

In all academic work, the ideas and contributions of others must be appropriately acknowledged and work that is presented as original must be, in fact, original. Using an AI-content generator (such as ChatGPT) to complete coursework without proper attribution or authorization is a form of academic dishonesty. If you are unsure about whether something may be plagiarism or academic dishonesty, please contact the instructor to discuss the issue.

Tentative Course Schedule

- **Week 1**: Course introduction & logistics; Basic macro variables
- **Week 2**: The goods market I
- **Week 3**: The goods market II
- **Week 4**: Financial markets
- **Week 5**: The IS-LM model I
- **Week 6**: The IS-LM model II
- **Week 7**: The IS-LM model III
- **Week 8**: Midterm exam (date TBD)
- **Week 9**: The labor market
- **Week 10**: The IS-LM-PC model
- **Week 11**: Inflation I
- **Week 12**: Inflation II
- **Week 13**: Economic growth
- **Week 14**: Course Wrap-up and review.

Important Note

This syllabus is meant to serve as an outline and guide for our course. Please note that I may modify it with reasonable notice to you. I may also modify the Course Schedule to accommodate the needs of our course.

Institutional Policies and Procedures

Honor Code

You are expected to fully abide by the Skidmore Honor Code.

Academic Accommodation

"If you are a student with a disability and believe you will need academic accommodation, you must formally request accommodation from Meg Hegener, Coordinator of Student Access Services (mhegener@skidmore.edu). You will also need to provide documentation which verifies the existence of a disability and supports your request. For further information, please call 580-8150 to contact Student Academic Services in Starbuck Center."

Title IX

Skidmore College considers sexual and gender-based misconduct to be one of the most serious violations of the values and standards of the College. Unwelcome sexual contact of any form is a violation of students' personal integrity and their right to a safe environment and therefore violates Skidmore's values. Sexual and gender-based misconduct is also prohibited by federal and state regulations. Skidmore College faculty are

committed to supporting our students and upholding gender equity laws as outlined by Title IX. If a student chooses to confide in a member of Skidmore's faculty or staff regarding an issue of sexual or gender-based misconduct, that faculty or staff member is obligated to tell Skidmore's Title IX Coordinator or Title IX Deputy Coordinator. The Title IX Coordinator or Deputy Coordinator will assist the student in connecting with all possible resources for support and options for reporting both on and off campus. Identities and details will be shared only with those who need to know to support the student and to address the situation through the college's processes. If the student wishes to confide in a confidential resource, the Counseling Center Staff, Health Services, and Victim Advocates (anonymous) are all options available.

More information can be found at the Sexual and Gender-Based Misconduct website or by contacting the Title IX Coordinator, Joel Aure (`jaure@skidmore.edu`), 580-5708, or Deputy Coordinator for Student Affairs, Gabriela Melillo (`gmelillo@skidmore.edu`), 580-5022.

Conscientious Religious Observance Policy

If religious observances cause absence from class, campus employment, athletic practice, and/or game days or necessitates accommodations, students should notify their faculty, coaches, or supervisors prior to the date(s) of their absence. New York State policy and Skidmore College policy mandates that students be allowed to make up academic work and/or campus employment requirements without penalty. These accommodations should not reduce the overall expectations of a course nor unduly burden the student requesting accommodation. Faculty must permit students to take a makeup examination without any penalty if they have to miss an examination due to religious observances. Similarly, faculty must permit students to submit missed assignments by an agreed upon due date, without penalty.

Although not required, the College highly recommends that students submit written notification of the pending religious observances at the start of the semester or at least one week before the date.. As an option, students may use this form. Distributing the written notification during the first week of classes, campus employment, or the start of the athletic season gives students, faculty, coaches, or supervisors time to prepare for the absence.

If a student, supervisor, coach, or faculty member feels the policy is being violated, they should contact the Dean of Faculty Office at 518-580-5705 (Palamountain 416), the Dean of Students Office at 518-580-5760 (Case Center 313), or Human Resources at 518-580-5800 (Barrett Center first floor).

Diversity and Inclusion

Skidmore College is committed to fostering a diverse and inclusive community in which members develop their abilities to live in a complex and interconnected world. Consistent with our educational mission, we recognize ourselves as a community that respects individual identities based on varying sociocultural characteristics such as race, ethnicity, gender identity and expression, sexual orientation, national origin, first language, religious and spiritual tradition, age, ability, socioeconomic status and learning style. We strive to create a socially just world that honors the dignity and worth of each individual, and we seek to build a community centered on mutual respect and openness to ideas—one in which individuals value cultural and intellectual diversity and share the responsibility for creating a welcoming, safe and inclusive environment. We recognize that our community is most inclusive when all members participate to their full capacity in the spirited and sometimes challenging conversations that are at the center of the college's educational mission.