

Midterm Review: (Only for Monday/Wednesday Class)

- ▶ Broad overview...
 - Measuring GDP, measuring labor market performance, inflation.
 - Production function.
 - Marginal products and the distribution of income.
 - Expenditure side of GDP.
 - Connect investment today with capital in future.

- ▶ What this will look like...
 - Example: Policy “x” is this, what do you think?
 - Could be a lot of answers. But the key to doing well is using tools/concepts we have discussed to answer the question
 - A good response: Policy “x” in the BGP model implies ...

- ▶ Format: 10 multiple choice. 2 long-form questions. Just like practice midterms.

How to Prepare I

- ▶ In class exercises, problem sets, practice midterm, questions posed in slides, practice problems in back of chapters in Mankiw.
- ▶ Slides
- ▶ Mankiw (Chapter 2 and Chapter 3).
- ▶ Blog

How to Prepare II

Things to keep in mind

- ▶ First, look through the whole exam:

Think... How should I allocate my time?

- ▶ Many times, parts of a question can be answered without having done the other parts. If you get stuck on a computation, don't give up on the whole question.
- ▶ Before you begin an essay question, sketch the answer in the margin, or on a scrap piece of paper. A few key concepts in the order you would like to address them is usually enough.

This will keep you from digressing, which wastes your time and waters down your answer.

Details

- ▶ Start \approx 3:30, so be on time!
- ▶ Allotted 75 minutes to complete.
- ▶ You can use one sheet of notes: letter paper, both sides, any size type you like.
- ▶ You may also use a calculator, but may not use any device capable of wireless transmission. Proximity to any such device during the exam will be treated as a violation of the honor code.