

# Econ 200: Introduction to Macroeconomics

Vipul Bhatt

Fall 2023

---

**Office:** Showker 6014

**E-mail:** [bhattvx@jmu.edu](mailto:bhattvx@jmu.edu)

**Class Room:** Hartman 2029

**Office Phone:** 540-568-3220

**Class Hours:** TuTh 11:10AM-12:25PM

**Web:** [sites.google.com/view/vipulbhatt](https://sites.google.com/view/vipulbhatt)

## Office Hours

Location: Showker 6014

Tuesday 9:30-11:00AM & 1:10-2:10PM

Thursday 9:30-11:00AM & 1:10-2:10PM

---

## Course Description and Objectives

The objective of this course is to provide you with an understanding of Macroeconomics. We will start with learning the basic tools of economic analysis. This is followed by understanding measurement of key macroeconomic indicators such as inflation, unemployment, output, interest rates, and exchange rates. Finally, we will cover different macroeconomic models that can be used to explain the evolution of the economy in the short run as well as in the long run. We will also discuss the role of policy makers in stabilizing the economy and apply economic principles to explain their response to the changing environment.

This course is a COB prerequisite and satisfies the Global Experience requirement in Cluster Four. These courses help students become critical thinkers about their own societies and the larger global community. Students will be able to identify, conceptualize and evaluate:

- i) basic global problems
- ii) global political, social, cultural, and economic systems that shape societies
- iii) issues involved in analyzing societies different from one's own
- iv) strategies to achieve diversity, equity, inclusion, justice, and access both locally and globally
- v) diverse theoretical models to analyze global problems.

## Readings

Below I summarize two primary sources that you will be using during the semester for each topic:

1. Lecture Notes: I have compiled these notes myself from various sources and these notes will not follow any particular textbook. I will post my lecture notes on Canvas in a timely fashion.
2. Textbook: I have also prepared a custom book for this course using the textbook titled **Principles of Macroeconomics** by John B. Taylor and Akila Weerapana.

I have removed chapters that I do not plan to use and tried to make the content as close to my own lecture notes as possible. This custom book will be a very useful reference for the material I will be covering during the semester.

You can this book from Flatworld. Choose whichever format that works best for you and place your order use the following link:

<https://students.flatworldknowledge.com/course/2604661>

Note:

- Reading Legend: **TW** for Taylor and Weerapana.
- This textbook is supposed to supplement my lecture notes and I strongly recommend not treating them as a substitute for my notes. Often they will serve as an excellent source of additional examples/explanations for various concepts covered in my lectures.

## Important Deadlines

	Date	Time	Location
Midterm 1	Sep. 28 <sup>th</sup> , 2023	11:10AM-12:25PM	Hartman 2029
Midterm 2	Nov. 2 <sup>nd</sup> , 2023	11:10AM-12:25PM	Hartman 2029
Final	Dec. 12 <sup>th</sup> , 2023	10:30AM-12:30PM	Hartman 2029

## Course Policy

Below I summarize important policies related to this course. Read them carefully and let me know in case you have a clarifying questions.

## Grading Structure

Homework	10%
Quizzes	12%
Midterm 1	20%
Midterm 2	22%
Final Exam	36%
	100%

### *Details on Grading Items*

- **Homework:** There will be several homework problem sets that you will be working on during the semester. The purpose of these assignments is to provide extra practice problems for you to work on. You will usually get a few days to submit these problem sets and all details (due dates, submission guidelines for Canvas etc.) will be provided to you in a timely fashion. The exact number of these depends on how the semester progresses, but in total they contribute 10% toward your final grade.
- **In-class Quizzes:** There will be a maximum of 3 in-class closed-book quizzes during the semester, contributing 12% to your final grade. Purpose of these quizzes is to get you exam-ready. So they will be closed-book and often I will time them so that they fall roughly in between your 3 exams. The dates of these quizzes will announced in a timely fashion (I plan to give you a week's notice). The duration of these quizzes will be 25-30 minutes. You should carry your calculator as you may need it for answering questions in these quizzes.
- **Midterm Exams:** There will be 2 in-class (closed book) midterm examination. First midterm is worth 20%, and the second midterm is worth 22% of your final grade.
- **Final Exam:** The in-class comprehensive final examination (closed book) will count towards the remaining 36% of your final grade.

## Make-up Policy

- There will be no make-up for missed quizzes. In the most extreme of circumstances I may decide to make an exception and shift the weight of your missed quiz to the next quiz. However, this will depend solely upon my discretion and you would need to provide the appropriate and valid documentation to support your situation. Also, I will only make this exception once during the semester.
- If you are not able to take any exam during the assigned time, it is your responsibility to contact me AT LEAST a week in advance to discuss the appropriate solution.
- There will be no make-up for the midterm exams. In the most extreme of circumstances I may decide to make an exception and shift the weight of the missed

midterm to the final exam. For example, if you miss the first midterm then the final will count for 56% of the final grade instead of 36%. However, this will depend solely upon my discretion and you would need to provide the appropriate and valid documentation to support your situation. If a student misses the exam and does not furnish an acceptable official document, or if the student's excuse is not valid according to me regardless of the documentation, the student will receive a grade of 0 for the midterm exam. Also, I will make this exception only once during the semester.

- For the Final exam, a make-up will be given if an acceptable official document such as a medical statement from a doctor is supplied as soon as possible. I will not accept any document after one week has passed from the date of the exam except under extreme circumstances. If a student misses the exam and does not furnish an acceptable official document, or if the student's excuse is not valid according to me regardless of the documentation, the student will receive a grade of 0 for the final exam and hence will fail this class.

## **Use of Canvas**

Materials pertaining to the course such as important announcements, lecture slides etc will be posted on Canvas. It is your responsibility to keep a track of such announcements and postings on Canvas at\

<https://canvas.jmu.edu/>

You should check Canvas at least twice per week to stay abreast of the course.

## **Use of Generative AI**

Given the nature of this course, the use of generative AI tools (such as ChatGPT, DALL-E, etc.) is not permitted in this class. Any use of these tools for work assigned in the class maybe considered a violation of JMU's Honor Code detailed below.

## **JMU Honor Code Policy**

All students are expected to be aware of and adhere to the JMU Honor Code. Students will be expected to be academically honest and properly credit all source materials used. For the official documentation on the honor code policy see:\

<http://www.jmu.edu/syllabus/#Honesty>

## **Withdrawing from the Class**

- In case you wish to withdraw from the class please follow the University guidelines and make sure to meet the corresponding deadlines. These are available at:

<http://www.jmu.edu/syllabus/#AddingDropping>

- If you miss the deadline for withdrawing with a grade of W then your grade will be based on your class performance. I DO NOT, in any circumstance give WP or WF, and I will not entertain any such requests.

### **Preferred method for contacting me**

The best way to reach me is via email. I will do my best to respond to e-mail within 24 hours on a weekday, 48 hours on a weekend, according to the following policy:

- I will not reply to e-mails that request information that can be found on the syllabus and/or Canvas.
- Make your queries brief. I will only respond to questions that can be answered in a sentence or two. For detailed questions, please see me during office hours.

### **Inclement Weather Policy**

Classes will be held unless canceled by the JMU administration for reasons of bad weather, bomb threats, or fire alarms.

### **Other University policies**

To read about JMU's policy regarding Adding/Dropping Courses Disability Accommodations, and Religious Observation Accommodations, please see:

<http://www.jmu.edu/syllabus>

## Tentative Course Outline

I will try my best to follow the schedule outlined below. However, in all likelihood this schedule will change depending on how the class reacts to each topic.

Content and Readings	
	<ul style="list-style-type: none"> <li>• Topic 1: Introduction to Economics: Big Picture</li> <li>• Readings:               <ul style="list-style-type: none"> <li>– Lecture Notes</li> </ul> </li> </ul>
	<p>Topic 2: Measuring Aggregate Economic Indicators</p> <ul style="list-style-type: none"> <li>• Output, employment, prices, and money</li> <li>• Inequality</li> <li>• Readings:               <ul style="list-style-type: none"> <li>– Lecture Notes</li> <li>– TW: Ch 1, and Ch 2.</li> </ul> </li> </ul>
	<p>Topic 3: Labor Market</p> <ul style="list-style-type: none"> <li>• Markets and Market Power</li> <li>• Unemployment as a market outcome</li> <li>• Minimum wage and Unions</li> <li>• Labor market and Income Distribution</li> <li>• Readings:               <ul style="list-style-type: none"> <li>– Lecture Notes</li> </ul> </li> </ul>
	<p>Topic 4: Financial System and The Federal Reserve Bank</p> <ul style="list-style-type: none"> <li>• Financial System</li> <li>• The Federal Reserve Bank (Fed)</li> <li>• Readings:               <ul style="list-style-type: none"> <li>– Lecture Notes</li> </ul> </li> </ul>
	<p>Topic 5: Business Cycles and Macroeconomic Policy</p> <ul style="list-style-type: none"> <li>• Keynesian Cross Model</li> <li>• Aggregate Demand Model</li> <li>• Fiscal Policy</li> <li>• Monetary Policy</li> <li>• Readings:               <ul style="list-style-type: none"> <li>– Lecture Notes</li> <li>– TW: Ch 5-8</li> </ul> </li> </ul>

Topic 6: Long run growth and Environment

- Growth Accounting
- Catching-up with the Rich
- Environment and the Economy
- Readings:
  - Lecture Notes
  - TW: Ch 3 and 4