

EC 202: Macroeconomics

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Office Hours: Monday 9am-10am, Wednesday 3pm-4pm , Friday 12pm-1pm

Office: PLC-506

Learning outcomes

Macroeconomics is a branch of economics dealing with the performance, structure, behavior, and decision-making of an economy as a whole. This includes regional, national, and global economies. Lectures are designed to give you exposure to the fundamental issues of macroeconomic analysis. We will cover concepts such as growth, recessions, fiscal and monetary policy, and other economic notions that are widely used and discussed, but seldom understood. Assignments will be an opportunity for you to think through and critically engage with the material. At the end of this class you will be able to

- Define the indicators that are used to measure the performance of the economy
- Interpret macroeconomic data that you might encounter in the media
- Apply knowledge of macroeconomic aggregates and their interaction to think about public policy issues in a more informed way
- Explain the main macroeconomic events of the last few decades
- Recognize different macroeconomic analysis frameworks and situate them in economic thought

Learning tools

Readings

For this class, we will be using CoreEcon, an open-access platform that combines readings, multimedia resources, and activities. This platform is user-friendly, computer-based and very colorful. You can create your student account and start browsing here: <https://www.core->

econ.org/register/?type=student My expectation is that you do the assigned readings prior to

every lecture. Readings are an opportunity for you to get a head-start and get thinking about concepts before we dive in deeper during lecture.

Chapter Notes

Chapter notes are not substitutes for the readings, but rather complements. In them, I give my perspective on the chapter's concepts, and at times supplement the textbook's arguments with broader or more technical content. I recommend browsing the chapter notes after completing the textbook reading.

Focus Videos

Focus videos explore a specific concept, or methodological aspect of the chapter in more detail. They are short and concise, and you can chose to watch them after the readings, or in parallel.

Chapter Slides

These slides are generated by the Core textbook and can be helpful as a way of restructuring your chapter ideas.

Supplemental references

Occasionally, I will publish a list of additional resources that relate to course material and that you can check out at your own leisure (movies, videos, additional readings, etc.)

Practice Questions

These questions are intended to help you self-evaluate and think about what you have learnt in the chapter. Corrections for practice questions will NOT be posted, but I welcome questions in office hours or via email. You will have the option to submit two practice sets for extra credit if you so wish.

Assignments

No one likes busy work. Assignments are designed for you to put your knowledge to work and grapple with thought experiments and real-life problems. Each assignment allows you to measure your progress and take stock all that you have learnt.

Assignments will take different forms (see below). Not all assignments will be mandatory, and you will be able to choose how much extra-work you want to seek. Summer terms are fast and getting back on the saddle can be hard once one falls. So, I encourage you to seize assignments as a self-evaluation tool.

All assignments will be administered online. The assignments will be open book and open note. You will have a limited time in which to complete exams and quizzes. Please note that you must complete the exam in one sitting. Once you click "Take the Quiz", your attempt at the

exam will begin and you will NOT have another chance to retake the exam. The exams will be available for two days and must be submitted by 11:59PM on the day of the deadline to receive credit. There will be no exceptions to the exam deadlines.

Office hours

I will be holding office hours three times a week, on Monday, Wednesday and Friday. You are all and one invited to stop by and discuss any questions, interests, concerns relating to the class and the term overall. If, due to some constraints, none of the hours work for you, you should feel free to email me and I will do my best to find a time for us to meet.

Recommended readings

If you want to go further, below is a short list of books I recommend as summer readings:

- *Why Nations Fail*, by Daron Acemoglu and James Robinson
- *House of Debt*, by Atif Mian and Amir Sufi
- *The end of Alchemy*, by Mervin King
- *Value, Price and Profit*, by Karl Marx

Learning assignments

Introduction [10 points of extra credit]

Online quizzes [96 points + 20 points of extra credit]

There will be a total of 10 online quizzes that will be available on Canvas every week. The 2 capstone quizzes will be optional, and will count towards extra-credit .

3 problem sets

Problem sets will be due on the Fridays of week 3, 6, and 9. These problem sets must be completed and turned in on Canvas by 5pm on Friday.

The solutions to the problem sets will be posted on the following Monday, and grades will be published Canvas by Wednesday evening.

Analytical project [90 points]

Due date : Friday of week 8 at 5pm.

One of this course's goals is to help you engage with news and commentaries on the U.S. and world economy. Your learning and mastery of the notions and concepts are incomplete until you confront them with current economic dynamics and facts. The basic idea of this assignment is :

1. Go out and find a piece of news written about macroeconomic concepts or developments. The content must intersect with the concepts that we study (e.g. job reports, inflation dynamics, stock markets, inequality, etc.). A list of sources to use has been posted on Canvas.
2. Send me a link to the article you want to research, and your group members for approval by Friday of week 2.
3. Analyze the article: First, contextualize the article: who are the authors, what is the overall topic, and why should we care about it? Second, explain the article and methodically analyze its argument, in doing so, try to link the article's arguments to what you learned in class. Lastly, try to go a little beyond the article: do you find that some question is unanswered by the authors? Is the argument they make convincing? Is there some missing part to the story? How would you go about complementing or deepening this analysis based on class teachings?
4. Your analysis can be presented in two forms of your choice: in writing, or as a presentation. Writing assignments must have a length of 3-5 pages, single-spaced. Presentations can be recorded and uploaded to Canvas. They must not exceed 20 minutes. The format must be specified along with your submission of the article and group members by Friday of week 2.
5. Time slots for presentations will be distributed as soon as the article choice is submitted and approved. This exercise will expose you to two important skills in the academic and professional world: group work, and critical thinking. It is intentionally flexible in the format and content for you to tailor it to your own interests and style, and to try and enjoy it!

Midterm [120 points]

The Midterm will go live on the Monday of week 5 and will be due on the Friday of week 5 at 5pm.

No make-up midterm will be given for any reason. Let me know as soon as possible if you cannot make it to one of the midterms. If a serious illness or emergency prevents you from being present at an exam contact me before or during the exam at youssefa@uoregon.edu. If you have an excused absence from a midterm you may earn the privilege of having your other exams reweighted when calculating your course percentage by completing the missed midterm as a take-home test and scoring at least 90% (with less credit from the other exams awarded if the 90% threshold on the take-home exam isn't met).

An unexcused absence from a midterm will result in scoring a zero on that exam, with devastating effects on your course grade.

Final [150 points]

The final will be published on Monday on finals week, and due on Thursday.

Yes, the final will be comprehensive and cover everything from the beginning of the course. This is purposeful: it will help you to learn and retain the material of the course better. Each of

later exams will be more heavily weighted toward the material not covered in previous exams. There will be assigned seating at each of the exams. Evidence of academic misconduct during an exam will likely result in a failing grade for the entire course. No make-up final will be given

for any reason. Let me know as soon as possible if you cannot make it to one of the midterms. If a serious illness or emergency prevents you from being present at an exam contact me before or during the exam at youssefa@uoregon.edu. If you have an excused absence from a midterm you may earn the privilege of having your other exams reweighted when calculating your course percentage by completing the missed midterm as a take-home test and scoring at least 90% (with less credit from the other exams awarded if the 90% threshold on the take-home exam isn't met). An unexcused absence from the final exam will likely result in a failing grade for the course. If

you know that you will not be able to take one of the exams you should seriously reconsider taking this course in this term. Note that multiple lectures of EC 202 are offered in every term: Fall, Winter, Spring, and Summer.

Practice questions for extra-credits

You can turn in up to two practice question sets for up to 20 points of extra credits each. To receive extra-credit, the question set must be turned in at 5pm on the Friday where the chapter is due (same deadline as chapter quiz).

Re-grade requests

If you notice an arithmetic mistake in totaling the number of points on a problem set or midterm, simply point this out to me as soon as possible, and the correction will be made. For any other reconsideration of a grade on a midterm, you must submit a formal re-grade request explaining why you believe your answer(s) should be given more points. This request must be made in writing and given to me no later than one week after the midterm is returned. Note that the entire midterm will be subject to re-grading, so overall you may gain or lose points if you request a re-grade. There will never be a re-grade for any problem set, quiz, or the final exam.

Course Agreements

Wellness

Your success in this course is important to me. If there is some way I can help improve or support your access to the course materials or online forums, please let me know. Given the COVID-19 pandemic, it's also worth noting that many of us might be experiencing unusually high levels of mental, emotional, or physical stress. If we can commit to keeping an open line of communication, I will do my best to accommodate your needs as they fluctuate this quarter. The University of Oregon has a detailed page dedicated to overall COVID-19 information (<https://coronavirus.uoregon.edu>Links to an external site.) and a specific page with information on mental health resources (<https://counseling.uoregon.edu>Links to an external site.). I am also happy to help direct you to additional resources if you are not finding what you need at the links above.

Virtual communication

Each week on Sunday night, I will be sending out an email with relevant information for that week including: information on what chapters should be studied that week to stay on schedule, deadline reminders, and any additional information that may be relevant for the given week. It is essential that you receive and read the class emails carefully. Important: if you do not receive the emails, contact the instructor ASAP. Also, please email me with any course questions you might have. Your emails should respect standard communication etiquette. Make sure to put "EC202" at the beginning of the email subject line. While I will strive to be as reactive as possible, you must allow a delay of 24 hours before sending a reminder.

Radical honesty

Life happens. Even to the best of us. We have all, at one point or the other, hit the snooze button one too many times. This is your learning experience, and I trust you to make the best decisions for it to work best. If for any reason you are unable to meet a deadline, or face difficulties meeting your expectations, I encourage you to talk to me with transparency for us to find solutions together.

Radical honesty also applies in the academic realm: I expect you to be academically honest, ie. submit your own work and reflect your own progress in the course, instead of turning to shady practices for higher grades. Again, this is your learning experience, and what you learn - not what you score- is what matters most.

University policies

Below are links and resources on university policies relevant to the class and to instructor-student relations. Please take the time to review these policies and get in touch with me if you have any remaining uncertainties.

Sexual violence and survivor support
Diversity & inclusion
Academic integrity
Accessibility and special accommodations

safe.uoregon.edu
inclusion.uoregon.edu
integrity.uoregon.edu
aec.uoregon.edu

Schedule and weekly learning goals

The schedule is tentative and subject to change. The learning goals below should be viewed as the key concepts you should grasp after each week, and also as a study guide before each exam, and at the end of the semester. Each exam will test on the material that was taught up until the week of the exam.

1. Week 1 (January 4th - January 8th) : The Capitalist Revolution (Unit 1)

- Goals :
 - what is GDP? How is it constructed? How is it limited? And what alternatives are there to measure income and living standards.
 - what is the Malthusian trap? How did we escape it? What did the industrial revolution mean for growth? How does capitalism, as an economic system, favor growth and improve living standards?
- Due dates :
 - Friday 8th at 5pm : Chapter Quiz
 - Friday 8th at 5pm : Introductory Survey

2. Week 2 (January 11th - January 15th) : Technology, Population and Growth (Unit 2)

- Goals :
 - What do we know about the Solow residual? What are the drivers of continued economic growth since the industrial revolution?
- Due dates :
 - Friday 15th at 5pm : Chapter Quiz
 - Friday 15th at 5pm : Analytical project plans

3. Week 3 (January 18th - January 22nd) : Labor markets: employment, wages and technology shocks (Unit 9)

- Goal:
 - What are the wage setting curve and the price setting curve, and how do they define the labor market dynamics? How do we measure employment and unemployment? Does technological progress really shift labor market equilibria? How shocks to demand affect employment?
- Due dates :
 - Friday 22nd at 5pm : Chapter Quiz
 - Friday 22nd at 5pm : Problem set 1 submission deadline

4. Week 4 (January 25th - January 29th) : Banks, Money and the Credit Market (Unit 10)

- Goal:
 - What is inter-temporal optimization? How does the financial market match the allocation of resources to time preferences? How do we understand the interest rate in this context?

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- What do banks do? What makes up their balance sheets? How do banks create money? What is the relation between banks and the federal reserve? What is the role of banking regulations?
 - How important are the principal-agent (lender-borrower, federal reserve -banks) problems in the financial sector? How can they lead to financial instability? Why do they generate inefficiencies and inequality?
- Due dates :
 - Friday 29th at 5pm : Chapter Quiz
5. Week 5 (Feb 1st - Feb 5th) : Economic Fluctuations (Unit 13)
- Goals:
 - What is the business cycle? Okun's law and the relation between GDP and unemployment? How do the components of GDP contribute to fluctuations? Why is consumption smooth? Why is investment volatile?
 - Due dates :
 - Friday 5th at 5pm : Chapter Quiz
 - Friday 5th at 5pm : Midterm submission deadline
6. Week 6 (February 8th - February 12th) : Fiscal policy (CoreEconomics Unit 14)
- Goal:
 - How governments can dampen and amplify fluctuations by virtue of the multiplier model and how does that relate to the government's finances?
 - Due dates :
 - Friday 12th at 5pm : Chapter Quiz
 - Friday 12th at 5pm : Problem Set 2 submission deadline
7. Week 7 (February 15th - February 19th): Monetary policy and inflation (CoreEconomics Unit 15)
- Goal:
 - Why do voters dislike inflation? How can we model inflation? What is the relation between inflation and unemployment? 50 years later, how has our understanding of the Philips curve changed?
 - What is the role of a central bank? Why is central bank independence so important? What's the history of the federal reserve? What are the monetary policy tools? How are they transmitted to the economy? What is unconventional monetary policy and the zero-lower bound?
 - What is the zero lower bound? How does quantitative easing expand the tools that the Central Banks use for stabilization? What are the trade-offs of monetary policy frameworks?
 - Due dates :
 - Friday 19th at 5pm : Chapter Quiz

8. Week 8 (February 22nd - February 26th) : Crises then and now (CoreEconomics Unit 17)

- Goal:
 - What caused the great depression? How did policy makers respond to the great depression? What supported the golden age of prosperity following WW-II? How did a switch in policy regime in the 70s and 80s lead to the great moderation? What caused the great recession and how did policy makers respond to it?
- Due dates :
 - Friday 26th at 5pm : Chapter Quiz
 - Friday 26th at 5pm : Analytical Project submission deadline

9. Weeks 9 and 10 (March 1st - March 12th) : Capstones

- Goal :
 - At this point of the course, we have covered the prerequisites and I would like you to have the choice of the material that you want to study. Choose 2 out of the 4 capstone units listed in modules, and dive in!
- Due dates:
 - Friday 5th at 5pm: Problem set 3 submission deadline
 - Friday 12th at 5pm: Capstone optional quizzes due

10. Week 11 : Final Exam

Submission deadline : Thursday, March 18th at 5pm.