

ECON 252

Intermediate Macroeconomics

Section 02: T TH 1:15-2:30pm Simon Center L3

Section 03: T TH 2:45-4:00pm Simon Center L3

Professor: Erin Cottle Hunt

Email: cottlee@lafayette.edu

Office Hours: Tuesdays and Thursdays 9:30-10:45am, Simon Center 202

Note, my last name is the two words: Cottle Hunt. You may refer to me as Professor Cottle Hunt, Dr. Cottle Hunt, or simply Professor.

Mentored Study Group Sessions

Leader: Anna Paulsen

Email: paulsena@lafayette.edu

sessions: Wednesdays 5-7pm, Fridays 4-6pm, Simon 125

Students may attend the MSG sessions on a drop-in basis. Attendance is not required but is highly encouraged. On average, students who attend MSG sessions earn higher grades than students who do not.

Course Description

Macroeconomics is the study of aggregate economic activity. The level of aggregate economic activity is assessed using variables such as inflation, unemployment, and gross domestic product that capture how the economy functions as a whole. In this course, we develop a series of macroeconomic models and use them to explain the behavior of the macroeconomy in long-run, and in the short-run. We begin with the long-run and we identify the factors that determine the trend rate of output growth. Next, we move to the short run and analyze the factors that generate the business cycle, or the tendency for output to expand and contract around its long run trend. Throughout, we analyze macroeconomic policies and the impact they have on macroeconomic performance. This class is largely theoretical, focusing on standard intermediate models. We will also include data and current events where possible.

Prerequisites: Econ 101, and Mathematics 141 or Mathematics 161

Learning Outcomes

This course should deepen your understanding of macroeconomic theory and policy. After this course, you should be able to produce basic theoretical analysis of macroeconomic phenomena and evaluate macroeconomic policies. In particular, you should be able to:

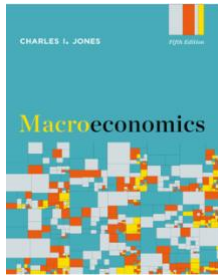
1. Understand the structure of the macroeconomy.
2. Define four key macroeconomic data series: output, inflation, unemployment, and interest rates.
3. Find and interpret the current values of key macroeconomic data series.
4. Explain the relationships between key groups of macroeconomic data.
5. Synthesize the important aggregate relationships into a model of the economy.

6. Analyze changes in macroeconomic conditions.
7. Evaluate economic policies using models from various schools of thought.

Course Website

We will use Moodle for this course. Announcements, assignments, and (unofficial) grades will be posted in Moodle. *Your official end-of-term grades will be posted in Banner—not Moodle.*

Textbook



Macroeconomics

5th Edition, published by Norton

The 4th edition of the book would also be totally fine (and should be less expensive). I use the 4th and 5th editions interchangeably—they are very, very similar. You should really just pick whichever one you want.

Author: Charles Jones

ISBN: 978-0-393-41734-0 (paperback)

978-0-393-41736-4 (Ebook)

Ebook available for purchase at: <https://digital.wwnorton.com/macro5>

The textbook is a key part of our class. It offers additional examples, context, and practice problems that you can use to deepen your understanding of material from lecture. I reviewed several possible textbooks for this course and chose the book that is the easiest to understand and offers the best intuition.

Grading

Your grade will be based homework, participation, Moodle quizzes, an economic indicator project, and exams:

Homework	15%
Participation	5%
Moodle Quizzes	10%
Exam 1	15%
Exam 2	15%
Cumulative Final Exam	20%
Economic Indicator Group Project	20%
total	100%

Below is the grading scale that will be used for the course:

93.00 – 100% = A; 90.00 – 92.99% = A-; 87.00 – 89.99% = B+; 83.00 – 86.99% = B;
80.00 – 82.99% = B-; 77.00 – 79.99% = C+; 73.00 – 76.99% = C; 70.00 – 72.99% = C-;
67.00 – 69.99% = D+; 63.00 – 66.99% = D; 60.00 – 62.99% = D-; < 60% = F

Homework

Problem sets will be posted on Moodle. These problems are designed to help you apply the concepts discussed in class and in your textbook, and will be graded. Students will need to upload their work to Moodle in order to receive credit. *I will drop your lowest problem set score.* Some of the exam questions will be similar to those that are on the problem sets. I recommend that you work in groups for the assignments, but make sure you understand how you arrived at each answer. The problems are designed

to prepare you for the exams, so it's in your best interest to completely understand the answers to the assignments. These problems are the minimum work you should do. I recommend that all students should work out additional problems at the end of the chapters. Late problem set submissions will be penalized 10% per day. If a solution key is posted, a problem set will not be accepted for credit.

Participation

Students are expected to attend class and participate in classroom discussions and group projects (both as presenters and audience members). Your participation grade in this class is based on you being an active participant in class (e.g., engaging in group work, diligently working on in-class assignments, etc.) and being a respectful classmate (e.g., arriving to class on time; not checking calls, texts, emails, etc.; respecting others questions and opinions, etc.).

The nature of an intermediate theory course is that a lot of the material we cover is dense, abstract, and mathematical. We will break-up the theory with in-class discussions of current events, assigned readings, and group projects. We will also complete in-class problem solving in pairs and small groups. Students will have the opportunity to earn participation points by participating in these discussions and activities and by asking questions during class, especially during group presentations. I will occasionally take roll to monitor classroom attendance.

Moodle Quizzes

Most weeks you will complete a short multiple-choice quiz in Moodle. The purposes of the quiz are to check your understanding of the material, to give me feedback on what is still unclear to students. The quizzes are designed to be low-stakes, as such, *I will drop your two lowest quiz scores.*

Exams

There will be three examinations during the semester: two non-cumulative exams during the semester and a cumulative exam during finals week. The exams will focus on the new material as specified in the outline. The last exam will be cumulative and will be held at the date and time determined by the college. To be fair to all of the students in the class, an excused absence (a Dean's Excuse) will result in a re-weighting of your course grade and an unexcused absence will result in a zero. This applies for any excused absence, including traveling for athletics or other school-sponsored events.

If there is a religious holiday that you wish to observe and will miss a class meeting, please let me know within the first week of the semester. If you do so and there is an exam on that day, we will arrange for a make-up at a mutually convenient time.

Exams are an opportunity for you to demonstrate your mastery of the material. Mastery of the material includes more than just reproducing the examples covered in the text and in class. It includes showing you have the ability to apply the concepts we are learning to problems you haven't seen before. You will get practice solving problems in class and on problem sets. **Remember learning is more than knowing how to use a tool, it is recognizing when to use it.**

Economic Indicator Project

Students will be divided into teams to work on a semester-long macroeconomic data literacy project. The project will include both individual and group components and will account for 20% of the total course grade.

- Part A: class discussion and summary of indicators. Class discussion followed by a small assignment: Students will work with their group to summarize each of the indicators within their

assigned group. Summaries will include how often the data are updated and when the next release of each data series is expected.

- Part B: written report. Each group will work collaboratively to prepare a policy brief describing two economic data series from their assigned category. The intended audience of the policy brief is a college-educated non-economist (like an elected official). More details will be provided.
- Part C: group late semester update. Each group will prepare a short report about one data series from their topic due late in the semester (exact date will be announced). The report should be a single page and include a graph of the data series
- Part D: final group presentations. Each group will prepare slides and record a presentation about their assigned data area. The presentation will include graphs and data. Additionally, each group must relate their assigned data topic to one theoretical model from class. More details will be provided throughout the term. The presentations will take place the last week of the semester.

Regrade Request

If you notice an arithmetic mistake in totaling the number of points on an exam, simply point this out to me as soon as possible, and the correction will be made. For any other reconsideration of a grade on an exam, 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 exam will be subject to re-grading, so overall you may gain or lose points if you request a re-grade.

Final grades are not negotiable

Do not contact me after the final semester grades have been posted asking me to change your grade for any reason. (*Of course, if you believe your grade was posted erroneously by all means DO contact me.*) I do not round grades. Extra credit will NEVER be assigned on an individual basis.

Student Expectations

Preparation: In order to get the most out of class sessions, I recommend reading the relevant chapters before class. This course requires significant preparation outside of class as well as regular class attendance. You should expect to devote about 2 hours of your time for every hour of in-class time to reading, studying, attending SI, practicing techniques, and solving problems.

Current Events: You should plan to spend some time, perhaps an hour per week, following current economic events. This can be done by reading the front page (or homepage) of a major national newspaper such as the *Wall Street Journal* or *New York Times* (both of which you should be able to access via the library and/or using your Lafayette email account), or by listening to a daily news podcast from a major newspaper or National Public Radio (such as *Up First* from NPR or *The Daily* from the New York Times—both are short daily news round-ups). Note: you are looking for discussions of economic data (not financial market data) and actions by the Federal Reserve, Congress and the President.

Resources to help you succeed in this class

Office hours. I will be available during office hours to help answer your questions. Students of all ability levels come to office hours, including some of the best students, so you don't need to worry about asking silly questions or feeling lost. To get the most out of office hours, you should come with a specific question (when possible). If you need help with an assignment or practice problem, you should try by yourself and bring me your work, so I can help you figure out where you're getting stuck.

Each other. Your fellow classmates will be an excellent resource to help you succeed in this course. I encourage you to form study groups and work together on problem sets. You will each have competitive advantages that will strengthen the group overall. *Even if you are unable to meet with your classmates in person (depending on COVID restrictions), you can contact your classmates via email or g-chat. You can work together on homework and your project by setting up Zoom or google-meet calls.*

MSG and Academic Resource Hub. The college has many services available for students, including tutors, in the academic resource hub. Your MSG leaders are a great resource—she sat through my class in a previous term and has worked through much of the homework before. The MSG leader assigned to this class is an excellent student who will be able to help you with the content of the course as well as good study habits.

The textbook. The textbook includes examples and practice problems that will help strengthen your intuition and answer your questions. I selected this text because it uses non-technical language and focuses on examples and explanations.

Student Academic Resources Moodle Spaces site. Students may self-enroll at <https://spaces.lafayette.edu/enrol/index.php?id=1276>

Class and College Policies

College Mission: In an environment that fosters the free exchange of ideas, Lafayette College seeks to nurture the inquiring mind and to integrate intellectual, social, and personal growth. The College strives to develop students' skills of critical thinking, verbal communication, and quantitative reasoning and their capacity for creative endeavor; it encourages students to examine the traditions of their own culture and those of others; to develop systems of values that include an understanding of personal, social, and professional responsibility; and to regard education as an indispensable, lifelong process.

Diversity: Lafayette College is committed to creating a diverse community: one that is inclusive and responsive, and is supportive of each and all of its faculty, students, and staff. The College seeks to promote diversity in its many manifestations. These include but are not limited to race, ethnicity, socioeconomic status, gender, gender identity, sexual orientation, religion, disability, and place of origin. The College recognizes that we live in an increasingly interconnected, globalized world, and that students benefit from learning in educational and social contexts in which there are participants from all manner of backgrounds. The goal is to encourage students to consider diverse experiences and perspectives throughout their lives. All members of the College community share a responsibility for creating, maintaining, and developing a learning environment in which difference is valued, equity is sought, and inclusiveness is practiced.

This class will work to create a supportive environment embracing diversity as stated above. Students of all backgrounds are encouraged to actively participate in classroom activities and discussions. *Given the political nature of many of the topics we will consider in this class, I would also like to emphasize, the importance of creating an environment where a diverse set of opinions and ideas can be expressed in the classroom.* I welcome your contributions and ideas from any political persuasion.

Possibility of Remote Learning/class on Zoom: It is possible that we will need to move class to Zoom briefly during the semester. An example might be if my childcare center is closed because of COVID or if

there is too much snow to safely travel to/around campus. If that happens, I'll post an announcement in Moodle and email the class. *It is the student's responsibility to check their Lafayette email account before each class session.* If you do not see an announcement, you can safely assume that class will be held in person, in the Simon Center. If class has to be held remotely, a detailed announcement will be posted in Moodle.

Proper Usage of Course Materials and Classroom Recordings: At Lafayette College, all course materials are proprietary and for class purposes only. This includes posted recordings of lectures, worksheets, discussion prompts, and other course items. Reposting such materials or distributing them through any means is prohibited. *Such materials should not be reposted or distributed through any means.* You must request my permission prior to creating your own recordings of class materials, and any recordings are not to be shared or posted online even when permission is granted to record. If you have any questions about proper usage of course materials please ask me. Please also be in contact with me if you have any concerns with being recorded during the course. Online discussions in Moodle should also remain private and not be shared outside of the course. Courses using Moodle will make student information visible to other students in this class. Student information in courses is protected by the Family Educational Right to Privacy Act (FERPA). Disclosure of student information to unauthorized parties violates federal privacy laws and it must not be shared with anyone outside the class. Questions can be referred to the Registrar's Office.

Learning and Accessibility: Lafayette College is committed to creating a learning environment that meets the needs of its diverse student body. If you anticipate or experience any barriers to learning in this course, you are welcome to discuss your concerns with me. If you have a disability, or think you may have a disability, please meet with the Office of Accessibility Services, to begin this conversation or request an official accommodation. If you have already been approved for accommodations through the Office of Accessibility Services, please meet with me so we can develop an implementation plan together.

Academic Integrity: We will follow the Lafayette Student Code of conduct for this class.

<https://conduct.lafayette.edu/student-handbook/student-code-of-conduct/>

Federal Credit Hour Requirement: The student work in this course is in full compliance with the federal policy, practice, and implementation related to the credit hour provisions in the higher education opportunity act of 2008. This means that I may require you to attend events outside the class hours (e.g. discussion sessions, workshops, final examinations, etc.) Please see the Lafayette College Compliance webpage on the Registrar's site for the full policy and practice statement.

<http://registrar.lafayette.edu/additional-resources/cep-course-proposal/>

Counseling Services: The Counseling Center is available to provide counseling and educational programs to help you achieve your academic, social, and personal development goals.

<https://counselingcenter.lafayette.edu>

Tentative Class Schedule

Subject to change. Any changes will be announced in class and in Moodle. Readings refer to textbook chapters in *Macroeconomics* 5th Edition, by Jones.

week	date	Topic	Jones	Homework due Friday by 11:59pm
1	8/30/22	intro to class; what is macro	1-2	
	9/1/22	macro data; math review		HW 1: data
2	9/6/22	math intro 1.5, 2.5	4	
	9/8/22	math intro continued; Solow model	5	HW 2: math
3	9/13/22	Solow model	5	
	9/15/22	Solow model; time to work as group		HW 3: Solow I
4	9/20/22	Solow dynamics	5	
	9/22/22	Solow in the computer	6	HW 4: Solow II; indicator project summaries due
5	9/27/22	Romer	7	
	9/29/22	Labor		HW 5: Romer/Labor
6	10/4/22	Labor / inflation	8	
	10/6/2022	Exam 1: intro, math, and chapters 5-7		
7	10/11/22	FALL BREAK		
	10/13/22	inflation	8	
8	10/18/22	intro to short run / Phillip's curve, Okun's law, short run summary	9	
	10/20/22	Phillip's / Okun's / Short run conditioned	9	HW 6: Inflation; indicator product written report due
9	10/25/22	IS	11	
	10/27/22	IS	11	HW 7: short-run
10	11/1/22	more IS	11	
	11/3/22	Monetary Policy part 1	12	HW 8: IS
11	11/8/22	Monetary Policy part 2	12	
	11/10/22	IS-MP-Phillips	12	HW 9: Monetary policy; indicator project late semester update due
12	11/15/22	IS-MP-Phillips		
	11/17/22	Exam 2: 8, 9, 11, and sections of 12		
13	11/22/22	AS/AD	13	*bonus if HW 10 handed in before Thanksgiving
	11/24/22	THANKSGIVING		
14	11/29/22	AS/AD 2	13	
	12/1/22	AS/AD 3 (and/or Financial Frictions)	14	HW 11: IS-MP
15	12/6/22	presentations		Indicator Projects Presentations due in Moodle Monday 12/5 by 5:00pm
	12/8/22	presentations		HW 12: AS/AD
finals	12/18/22	Cumulative final – 8-9:30AM		

Quizzes due each week by 11:59pm Friday. The quiz corresponds to the material from the previous week.