Course Description
Would you like to better understand:

- How the Fed sets interest rates and why it matters
- How fiscal policy (like tax cuts and government spending) affect the economy
- What determines the rate of inflation
- Why some countries are rich and others poor

Then this is the course for you!

In this course we first discuss how to measure inflation, national income, and unemployment. Then we develop models of how policy affects these variables. We study both the short-term and long-run effects of policy on economic well-being as well as the most influential theories of long-run economic growth.

Professor:
Dan Tortorice
dtortori@holycross.edu
Stein 505
Office Hours: Mondays 2-5pm, T/Th 3:30 – 5pm, and by appointment.

Prerequisites
Econ 111 (Principles of Microeconomics)
Econ 112 (Principles of Macroeconomics)
One year of calculus or equivalent
Completed at least one course in the department.

Class Schedule
Lecture 1:      Tuesday/Thursday 12:30 – 1:45pm       Stein 220
Lecture 2:      Tuesday/Thursday   2:00 – 3:15pm       Stein 220

Required Readings

Coursework and Grading
Coursework will consist of class attendance and participation, 8 problem sets, short in class quizzes, two midterm exams and a final exam. The final grade is determined using the following weighting scheme: problem sets are 15%, class participation is 10%, the in-class quizzes are 10% total, the first midterm is 15%, the 2nd midterm is 20%, and the final exam is 30%. 
Problem sets are due in class as indicated on the syllabus and problem set. The lowest problem set grade will be dropped.

Success in this course is based on the expectation that students will spend a minimum of 9 hours of study time per week in preparation for class (readings, review of lecture notes, working on problem sets, attending office hours and preparation for exams, etc.)

Course Policies

Laptops and Cell Phones
Use of laptop computers, tablets, or cell phones is not allowed in the classroom at any time.

Class Attendance and Participation
Students are expected to attend class and attendance will be recorded. In addition, students are expected to come to class on time and be attentive during class. Excessive breaks from class, use of electronic devices in class, and excessive in-class discussions with other students will result in students being marked absent.

Absence from Exams
Check the date of the midterm exams. Notify me as soon as possible if you are unable to make the exam dates.

I only excuse students from a midterm exam if they have obtained an excused absence from the Class Dean and except in the case of emergency or sudden illness all excused absences must be obtained in advance.

For more information see the College policy (http://www.holycross.edu/sites/default/files/files/registrar/excused_absence_policy.pdf)

Students receive a grade of zero for any exam for which there is an unexcused absence.

Late Problem Sets
Once solutions have been posted (usually immediately after class on the due date) problem sets will no longer be accepted and a grade of zero will be given for any missing assignment.

I realize circumstances may prevent students from turning in an assignment. That is why I drop the lowest problem set grade. If a serious illness or an emergency prevents a student from turning in an additional problem set on time I may at my discretion excuse a student with proper documentation. If excused, all other problem sets will be reweighted accordingly. If a student is unable to attend lecture on the day a problem set is due, it is his or her responsibility to make alternate arrangements to turn in the assignment.

Collaboration and Academic Honesty
Students are expected to work with each other on the problem sets. However the final write up of answers you turn in are to be your own. Do not copy someone else's answer. You will gain nothing and will be in violation of the College’s rules.
You are expected to be familiar with and to follow the College's policies on academic integrity (http://www.holycross.edu/sites/default/files/files/registrar/academic_integrity_policy.pdf). Instances of alleged dishonesty will be forwarded to the Class Dean. Potential sanctions include failing grades for the assignment to dismissal from the College.

**Accommodations**

Any student who feels the need for accommodation based on the impact of a disability should contact the Office of Disability Services to discuss support services available. Once the office receives documentation supporting the request for accommodation, the student would meet privately with Disability Services to discuss reasonable and appropriate accommodations. The office can be reached by calling 508-793-3693 or by visiting Hogan Campus Center, room 215A.

If you are already registered with Disability Services, please be sure to get your accommodation letters and deliver them to me as soon as possible and not less than one week before a graded assignment or examination that you are requesting accommodation for.

**Course Web Page**

The course web page will be posted on the Moodle. Course announcements, assignments, notes, and handouts will be posted on this page.

**Supplementary Readings**

The course will cover roughly the first 14 chapters of the Mankiw book. I recommend chapters 15-17 for students interested in advanced study in economics.

Staying astride of current economic news will make the course more informative and lively. Any mainstream media outlet will report on economic news. I find the *Economist* and the *Wall Street Journal* particularly emphasize economics.

Many economists write blogs that will provide a nice complement to the work in this course. Some of my favorites are:

- Tyler Cowen and Alex Tabarrok (http://www.marginalrevolution.com/)
- Brad DeLong (http://delong.typepad.com/),
- Paul Krugman (http://krugman.blogs.nytimes.com/),
- Greg Mankiw (http://gregmankiw.blogspot.com/),
- Dani Rodrik (http://rodrik.typepad.com/)
- Mark Thoma (http://economistsview.typepad.com/).

Students should pay particular attention to Greg Mankiw’s blog. He is the author of your textbook and occasionally uses the blog to answer questions from students.
Course Outline

PART I: Measuring the macroeconomy and the macroeconomy in the short-run.

Week 1
Thursday August 31st
Lecture: Introduction and the Data of Macroeconomics
Readings: *Macroeconomics* Ch 1
Assignments: Problem Set 1 available.

Week 2
Tuesday September 5th
Lecture: Data of Macroeconomics
Readings: *Macroeconomics* Ch 2
Assignments: Problem Set 1 available.

Thursday September 7th
Lecture: Data of Macroeconomics
Readings: *Macroeconomics* Ch 2

Week 3
Tuesday September 12th
Lecture: Aggregate Demand I: Building the IS-LM Model
Readings: *Macroeconomics* Ch 11
Assignments: Problem Set 1 due. Problem Set 2 available.

Thursday September 14th
Lecture: Aggregate Demand I: Building the IS-LM Model
Readings: *Macroeconomics* Ch 11

Week 4
Tuesday September 19th
Lecture: Aggregate Demand II: Applying the IS-LM Model
Readings: *Macroeconomics* Ch 12
Assignments: Problem Set 2 due. Problem Set 3 available.
Quick Quiz 1

Thursday September 21st
Lecture: Aggregate Demand II: Applying the IS-LM Model
Readings: *Macroeconomics* Ch 12

Week 5
Tuesday September 26th
Lecture: Aggregate Supply
Readings: *Macroeconomics* Ch 14
Assignments: Problem Set 3 Due.

Thursday September 28th
Lecture: Exam 1 Review

Week 6
Tuesday October 3rd
**MIDTERM EXAM 1**
PART 2: The macroeconomy in the long-run and the open economy

Week 6 (cont.)
Thursday October 5th
Lecture: National Income and the Long Run
Readings: *Macroeconomics* Ch 3 and Ch 12 (pp. 340-41)

Week 7
Tuesday October 17th
Lecture: Money and Inflation
Readings: *Macroeconomics* Ch 4 & 5
Assignments: Problem Set 4 available.

Thursday October 19th
Lecture: Money and Inflation
Readings: *Macroeconomics* Ch 4 & 5

Week 8
Tuesday October 24th
Lecture: Unemployment
Readings: *Macroeconomics* Ch 7
Assignments: Problem Set 5 available. Problem Set 4 due.

Thursday October 29th
Lecture: Unemployment
Readings: *Macroeconomics* Ch 7

Week 9
Tuesday October 31st
Lecture: The Open Economy
Readings: *Macroeconomics* Ch 6
Assignments: Problem Set 5 due. Problem Set 6 available.
Quick Quiz 2

Thursday November 2nd
Lecture: The Open Economy
Readings: *Macroeconomics* Ch 6

Week 10
Tuesday November 7th
Lecture: Exam 2 Review
Readings: *Macroeconomics* Ch 7
Assignments: Problem Set 6 due

Thursday November 9th
**Midterm Exam 2**
PART 3: Economic growth and expectations

Week 11
Tuesday November 14th
Lecture: Economic Growth I: Capital Accumulation and Pop.Growth
Readings: Macroeconomics Ch 8
Assignments: Problem Set 7 available.
Thursday November 16th
Lecture: Economic Growth I: Capital Accumulation and Pop. Growth
Readings: Macroeconomics Ch 8

Week 12
Tuesday November 21st
Lecture: Economic Growth: Technology, Empirics and Policy
Readings: Macroeconomics Ch 9
Assignments: Problem Set 7 due. Problem set 8 available.
Thursday, November 23rd
No Class -- Thanksgiving

Week 13
Tuesday November 28th
Lecture: Economic Growth: Technology, Empirics and Policy
Readings: Macroeconomics Ch 9
Thursday, November 30th
Lecture: Economic Growth Continued
Quick Quiz 3

Week 14
Tuesday, December 5th
Lecture: Expectations and the Tradeoff between Inflation and Unemp.
Readings: Macroeconomics Ch 14
Assignments: Problem set 8 due.
Thursday, December 7th
Lecture: Final Exam Review

Final Exam (date to be determined)