

ECONOMICS 311

GENERAL INTRODUCTION

Winter 2018
MW 9:30-10:50 FSK 217

Robert J. Gordon, KGH 3341
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Office Hours, T 4:00-5:15 pm

TAs: Valentyn Litvin, ValentynLitvin2022@u.northwestern.edu
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TA office hours and locations will be posted on Canvas. All TA office hours are held in KGH.

1. *The Course: Its Purpose and Prerequisites.* Economics 311, along with 310 (Microeconomics), are the basic "intermediate" courses that are taken after the "principles" courses, 201 and 202. Only 201 is a prerequisite for 311, or alternatively a score of "5" on the AP test for macroeconomics. ***Please note: neither 202 nor 310 is a prerequisite for 311.***

2. *Relation to Economics 201.* While overlapping Econ 201 in the first two weeks, Economics 311 develops a more complete model of economic activity and applies it to an explanation of the relationships among inflation, unemployment, real output growth, money, the federal budget, the foreign exchange rate, the trade deficit, and other central economic concepts.

3. *Required Reading.* ***In the first day class a representative from the publisher will explain everything you need to know about prices and the different options you have to buy the textbook.*** See also the publisher's insert on the last page of this syllabus. In addition there is a Course Packet of outside readings, see below.

4. *Advice.* If you don't understand a particular point in the lecture, wave your hand and ask me to explain it again. Or come up and ask during the break or after class. The role of the TAs is to handle all your questions involving the electronic homework, equations, solutions, quizzes, midterms, and final. The best way to ask a question about the lecture (which the TAs do not attend) or aspects of economic news that interests you,

come to talk to me after class. You can also have a more extended discussion in my office hours.

5. The midterms and finals are split roughly in half between multiple-choice questions and short answer questions that require you to calculate specific numerical answers. The multiple-choice questions cover not only the material in the textbook but also aspects of macroeconomics discussed in the lectures and course packet but not covered in the textbook. The midterms and final are given in the same classroom where the lectures take place.

6. The data charts in the lectures are all updated from those in the book. All graphs discussed in the lectures update the data to December, 2018, and will be posted on Canvas soon after the lecture takes place.

7. *Requirements.*

- a. *MyEconLab (MEL) homework assignments*, 10 percent of your grade.
- b. *FRED data exercises*, to be handed out in class and turned in to TAs, 6 percent of your grade.
- c. *Short Quizzes (5)*. In TA sections on the dates indicated on the schedule. Counts 20 percent of grade. Your lowest quiz grade is automatically dropped in computing your total quiz score.
- d. *Midterms (2)*. Monday, 04 February, and Monday, 25 February. Each counts 16 percent of grade, total 32 percent.
- e. *Final*. Monday, 18 March, 9-11am. Counts 32 percent of grade.

Laptops must be closed and smart phones put away during lectures. All exams are closed book; you should bring a calculator to all quizzes and exams. Any kind of calculator is allowed as long as it has a "LN" button.

Text: Robert J. Gordon, *Macroeconomics*, 12th edition, Pearson. Purchase instructions are provided in the first class on Jan 7.

Book of Readings: A short custom-made course packet of magazine and newspaper articles published in the last few years will be available for purchase starting Monday 1/7 in the econ office (KGH 3317), payment by cash and checks accepted but not by credit card.

TA SECTION LOCATIONS

TA sections are required for one hour per week. Signup for TA sections is handled by CAESAR.

21	Litvin	Friday 3pm	TCH A110
22	Litvin	Friday 4pm	TCH L221
23	Paluszynska	Friday 3pm	TCH L150
24	Paluszynska	Friday 4pm	TCH L150
25	Armella Olazabal	Friday 3pm	TCH M177
26	Armella Olazabal	Friday 4pm	TCH M177
27	Manysheva	Friday 3pm	TCH M128
28	Manysheva	Friday 4pm	TCH M128

SCHEDULE OF TA SECTIONS

11 Jan	NO SECTIONS
18 Jan	Teach National Income, Price Measurement Problems
25 Jan	Practice questions; Quiz 1
01 Feb	Return quiz; Practice questions; Quiz 2
08 Feb	Return quiz and midterm; Discuss answers
15 Feb	Practice questions; Quiz 3
22 Feb	Return quiz; Practice questions; Quiz 4
01 Mar	Return quiz and midterm; Discuss answers
08 Mar	Practice questions; Quiz 5
15 Mar	A review session will be scheduled at a time and place to be announced

ECONOMICS 311 CALENDAR**TEXT CHAPTER****HOMEWORK DUE**

M	07 Jan	What is Macro? Basic Concepts.		
W	09 Jan	Business Cycles; Current Situation	1	1/13
M	14 Jan	Measuring GDP, Inflation, and Unemployment	2	1/15
		Note: National Income, Price Measurement Problems will be taught by TAs		
W	16 Jan	Equilibrium Income; Multipliers; Fiscal Policy	3	1/22
M	21 Jan	NO CLASS (Martin Luther King Birthday)		
W	23 Jan	Interest Rates; IS Curve; Demand for Money; LM Curve	4	1/27
M	28 Jan	Using the IS-LM Model; Origins of the 2007-09 Recession and World Crisis		
W	30 Jan	Monetary Policy Issues	5	2/05
M	04 Feb	FIRST MIDTERM (in Fisk 217, covers text and reading packet through Chapter 4)		
W	06 Feb	Government Budget, Public Debt, Fiscal Policy Dilemmas	6	2/10
M	11 Feb	Fiscal Multipliers, International Concepts	7	2/17
W	13 Feb	Exchange Regimes and Open-Economy Policy Macroeconomics		
M	18 Feb	Classical vs. Keynesian; Causes of Great Depression	8	2/19
W	20 Feb	Inflation: Phillips Curve, Demand and Supply Shocks	9	2/26
M	25 Feb	SECOND MIDTERM (in Fisk 217, covers text and reading packet through Chapter 8)		
W	27 Feb	Concluding Inflation Model; Costs and Causes of Inflation	10	3/03
M	04 Mar	Why the Unemployment Rate Can't be Zero; Growth Theory	11	3/10
W	06 Mar	Solow Puzzles; Failure of Convergence	12	3/12
M	11 Mar	Why Are Some Countries So Rich and Poor; Is U.S. Economic Growth Over?		
M	18 Mar	FINAL EXAMINATION (in Fisk 217, 9-11 am)		