

Contact Info: mwitte@northwestern.edu, Office: Kellogg Global Hub 3393

Class meets: Harris 107, Tuesdays and Thursdays 2:00-3:20
TA sections Wednesdays at 9:AM, 10:AM, 5:PM, 6:PM

Office Hours: Mark's will be Mondays 1-2, Wednesdays 2-3, in the Kellogg Global Hub 3393,
Thursdays 1:00-1:50 in Harris L05, and also at other times by appointment.
Radhika Tuesdays 9-11 in 3411 Kellogg, Sorenien Tuesdays 11-1 in 3496 Kellogg.

Texts: (KW) [*Macroeconomics, 7th edition*](#), by Paul Krugman & Robin Wells, 2024

- (6th edition is fine and probably cheaper)

Books available online (don't buy!):

(GT) [*Principles of Microeconomics*](#), Greenlaw/Taylor, OpenStax (2016)

(B) [*New Ideas from Dead Economists*](#), (any edition), by Todd Buchholz. Plume Press.

(D) [*Economics: A Very Short Introduction*](#), Partha Dasgupta, Oxford Press, 2007

Web notes and slides on the courses page for this class:

<https://sites.google.com/site/markwitteeconomics/home/economics-201-introduction-to-macroeconomics>

Class Date	Lecture Content	Read before <i>this</i> Lecture
Thurs. Jan. 4	Economic thinking: Adam Smith	KW 1, B I, II (Intro, Adam Smith) Milton Friedman - I, Pencil Careers in Economics Rich vs. Happy , Claudia Goldin
Tues. Jan. 9	Choices and Opportunity Costs	KW 2 & appendix, Pharmacists D Prologue (pp. 1-13)
TA Jan. 10	Demand Curves!	
Thurs. Jan. 11	Micro: Supply & Demand, Consumer & Producer Surplus Messing with Markets	KW 3, 4, appendix to KW Ch. 5 D 4 (pp. 72-89), Cheese , Min Wage , Simulating Supply & Demand
Tues. Jan. 16	More Micro: Market Structure	B VII (Marshall), VIII (Institutional)
TA Jan. 17	Elasticity of Demand & Monopoly	Goolsbee on Uber
Thurs.. Jan. 18	Classical Market Failures	GT 12 & GT 13 , DWL
Tues. Jan. 23	Taxes & Inequality, Advanced Market Failure, Health Insurance. Government Failure	Ricardo , GT 16 on risk & insurance Public Choice , Rent Seeking
TA Jan. 24	Taxes and Markets	Vox on Marginal Tax Rates
Thurs. Jan. 25	Macro: Long-Run Growth versus Short Run Fluctuations Circle flow of Income, Malthus versus Ricardo	KW 6, 8. D 1 (pp. 14-29), B III (Malthus), Food , Lindsay Ricardo on Equilibrium, Desert Island , Comparing GDPs
Tues. Jan. 30	Computing & Using Price Indexes	KW 7, Measuring Inflation Inflation History , Shrinkflation
TA Jan. 31	Midterm Review	
Thurs. Feb. 1	Midterm I - Material from Jan. 4-Jan. 30	Harris 107 (15% of class grade)
Tues. Feb. 6	Long-Run Economic Growth	KW 9, Gordon , Klenow , Rule of 70 ,

		Rosling , Rosner , OWID: Global Inequality , OWID: Extreme Poverty
TA Feb. 7	Fisher Equation, Unemployment	
Thurs. Feb. 8	Savings & Investment & Finance	KW 10 & appendix, Yield Curve Friday, February 9, Drop Deadline
Tues. Feb. 13	Macro Demand-Side Equilibrium	B VI (Marx), IX (Keynes),
TA Feb. 14	Macroeconomic Equilibrium	KW 11
Thurs. Feb. 15	Aggregate Supply, Aggregate Demand Fiscal Policy, Government Debt & Deficits	KW 12, KW 13, Budget Basics
Tues. Feb. 20	Money & Banking & The Federal Reserve	KW 14, NY Fed History , Dime , Surowieki , Fed's New Tools , What Fed does
TA Feb. 21	Midterm Review	
Thurs. Feb. 22	Midterm II - Material from Jan. 25-Feb. 15	Harris 107 (25% of class grade) Friday, February 23, P/N Deadline
Tues. Feb. 27	Phillips Curve: Unemployment v. Inflation Neoclassical Economics	KW 16, 17, B X (Friedman) Baby Sitting Co-op , Radford Fed Video 1 , Fed Video 2
TA Feb. 28	Comparative Advantage	KW 5
Thurs. Feb. 29	International Trade	Ricardo on Trade , Iowa Car Crop
Tues. March 5	International Economics: Exchange Rates & Capital Flows	KW 18, Desjardens , Rise of the \$, D Epilogue (pp. 158-160)
Tues. March 12	Cumulative Final Exam - Noon-2:00 PM Harris 107	(40% of class grade)

Grading	Share of Class Grade
First Midterm (in class)	15%
Second Midterm (in class)	25%
Final exam	40%
TA Section Quizzes	10%
Canvas Homework	10%

TA Sections are on Wednesdays

- **9:AM-9:50** in Tech L150 with Radhika Ramakrishnan, rram@u.northwestern.edu
- **10:AM-10:50** in Annenberg G32 with Radhika Ramakrishnan, rram@u.northwestern.edu
- **5:PM-5:50** in Tech L150 with Sorienie Gudissa, sorieniegudissa2028@u.northwestern.edu
- **6:PM-6:50** in Tech L251 with Sorienie Gudissa, sorieniegudissa2028@u.northwestern.edu

The following are frequently asked questions that many of you will have about the class.

Q1: What should I read for each day?

A1: For each listed lecture, read the listed chapters in the right column for that day.

- Paul **Krugman** won the Nobel Prize in economics, is a professor at the City University of New York, and [writes a lot for the New York Times](#). He wrote the book with his economist wife, [Robin Wells](#). We will be using the new 7th edition of their *Macroeconomics*, but the 6th edition is probably fine and much cheaper. (Be careful not to buy the similar-looking *Microeconomics* or *Economics*.) The text will also be on reserve in the library and is available through **Books for Cats**.
- DON'T BUY: Todd **Buchholz** wrote a fun book, *New Ideas from Dead Economists*, and does an outstanding job showing how *our understanding of economics has evolved, and will continue to evolve*.
- DON'T BUY: Partha **Dasgupta** presents a more philosophical and international perspective on what we hope to learn by studying economics. The library has an e-version available through course reserves. This book is fairly high level and a challenging intellectual read, but hey, you chose to come to Northwestern.
- I will post [notes](#), [lecture slides](#), [readings](#), and a bunch of [old exams](#) on the class webpage. People who study these old exams will probably do very well on the exams I give, and people who don't study them will likely do very poorly. Got it?

Q2: What's the deal with the TA sections?

A2: The sections will run for 50 minutes, and will include a quiz plus the TAs will explain some class material and work out some problems that will appear on the exams.

Q3: What are the learning objectives for this class?

A3: This course should give you frameworks and develop economic reasoning for you to understand what markets do well and poorly, and understand short and long-run macroeconomic phenomena.

Q4: What are the basic work expectations for the class?

A4: I hope that you will do about two hours of study for every hour of lecture, and that you will read the material assigned for the lecture **before** class (and yes, you'll have to catch up on the first lecture assigned reading too).

Q5: Is this a weed-out class? How does the grading work?

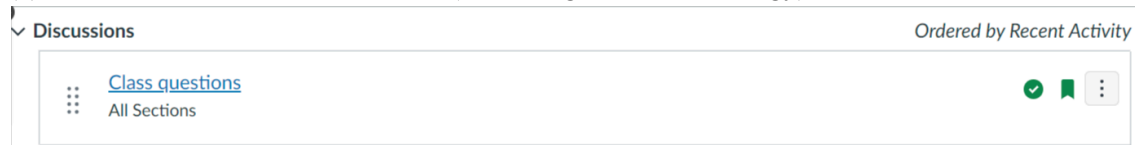
A5: No. Of the students currently at Northwestern, over 1,200 of them will get majors in economics, so if econ has any weed-out classes, they're clearly not working.

People who score well above the mean on the midterms, final, and homeworks will get A's. People who don't do quite as well, will get B's. Those who are below the median for the class will get C's, or if things go really poorly, D's or F's. The points on the various assignments are weighted as described above.

More specifically, every point you earned in here is combined into a weighted total, where regardless of how you did on any particular part of the class, if you end up with the same number of points (for example) as someone who performed at a B level throughout the class, then you'll end up with a B.

Q6: What is your electronic communication policy?

A6: (1) I expect you to have your preferred e-mail address entered into Canvas so that I can send messages to the class, and I expect you to check that e-mail on a daily basis.
(2) Use Canvas *Discussions* to post questions that would be of general use to your classmates. (Yes: “What does GDP stand for?” No: “I got 11 points on the midterm; does that mean I’m going to flunk the class?”) When you post about specific homework or exam questions, it’s very helpful if you would cut-and-paste the actual question into what you write.
(3) Silence your cell phone for the duration of the class and put it away where you won’t be tempted to look at it. However, if you’re feeling really on top of the material, you can signal me that you want me to ask you a question by messing with your phone during lecture.
(4) Subscribe to Canvas *Discussions* (the little green banner thingy).



(5) At some point this term, answer a question posted by one of your classmates on Canvas *Discussions*. (Can you coordinate with a classmate to set this up? I don’t see why not.)

Q7: Is it OK if I surf the web and [watch crazy videos](#) or play with my phone whenever your lectures get too boring?

A7: Sorry, no. Do not play with your phone during class and only use your computer for note-taking.

Q8: During exams, can I use my phone with messaging and camera as a calculator? Also, I have to get up to go to the bathroom every 20 minutes; is that OK?

A8: Hell^{No}. Get a regular calculator; a really cheap one will suffice (but any kind is fine). Also, no smartwatches are allowed during exams. **And get your bathroom needs done before exams, then hold it until you’re done.**

Q9: What is the deal with these TA Section quizzes?

A9: The quizzes aren’t meant to torture you – rather, they are intended to encourage you to stay caught up in the reading so that you better understand the material when we talk about it in class. The quizzes will be in the TA sections and generally have two questions, one out of the reading for **the coming week** and one about what we covered in the previous week. The aim is for these quizzes to be pretty low-stress and easy, with the hope that they will make sure you stay up in the reading and study your notes. As such, the quizzes are not intended to be a significant test of your understanding (that is what the exams are supposed to do) but are just an attempt to give you credit and encouragement for getting the reading done in a timely way. With luck, this will allow me to do a better job of covering the material. The grading will be on a 0, 5, 10 basis for each question (for a total of 20 per quiz), and we will drop your lowest two quizzes (or more precisely, the maximum total score on the quizzes will be the sum of points for a perfect score on each of the quizzes, minus 40 points).

- Q10: What happens if I fall suddenly ill and am unable to make it to a test?
- A10: For quizzes and midterms, you are out of luck; no make-ups. However, we will drop your lowest two quizzes (or more precisely, the maximum total score on the quizzes will be the sum of points for a perfect score on each quiz, minus 40 points). If you must miss a midterm, be sure to e-mail me in advance or your misfortune will be doubled, otherwise you will get a zero on the test for a grade of F, which cannot be made up. Don't make this mistake. If you do come down with mono or something *and do reach me* (and can document your reason), you won't get a zero on the test. However, there will be no make-up exams; instead the weight of the final exam score will be increased to make up for the missed test.
- Q11: Can you give us a hint about what will be on the first TA Section quiz?
- A11: Ha, sure! (1) What is one factor that will cause the demand curve to shift? (2) What subject was Adam Smith's main field of study before he got into economics? **Further, there will be a bonus question about information on this syllabus.** The first quiz will be on Wednesday, January 10th.
- Q12: What is the deal with these "Canvas homeworks?"
- A12: There will be a bunch of these over the course of the quarter and they will usually follow what we did in lecture, and have some predictive value for what will be on the exams. Sometimes they will be computational, and sometimes they will be something that you write up, scan, and upload. You can work together on the Canvas homeworks.
- Q13: In addition to the assigned readings, is it a good idea to read the newspaper?
- A13: Absolutely. To understand economics, it is important to keep track of the world around us. I read a bunch of news sources and these are the source for many of my exam questions, with the [New York Times](#), [Wall Street Journal](#), and [Economist](#) magazine being the best sources. I regularly read [Conversational Economist](#), and [Marginal Revolution](#). [Matt Levine](#) is crazy great if you're interested in finance.
- Q14: I've done the reading and thought about the material but I am still so confused that I don't even know what to ask. Should I feel embarrassed about coming to office hours for help?
- A14: Not at all. If you have done the reading, office hours are an excellent time to clear up big or small uncertainties and to search for new ones before the next test finds them for you. We hold office hours for precisely this purpose. The TAs are particularly good with computational type problems and Mark is better with questions about the readings.
- Q15: The lecture is running a few minutes over, what should I do?
- A15: Please quietly stay put and observe a rare occurrence.
- Q16: Will there be recorded content for us to watch?
- A16: Yes. I will try to get all the lectures recorded (not the TA sections) and will post extra lectures if I run short of time in lecture, or think that there's a well-contained part of the course that would work in that format. (But no promises since attempts to record sometimes go wrong!)
- Q17: Can I expect any leniency if I'm caught cheating or engaging in any unethical behavior?
- A1: No. **Academic Integrity is taken very seriously at Northwestern.** Students are responsible for reading and understanding Northwestern's Academic Integrity policies. **All suspected violations of academic integrity will be reported to the Weinberg**

College Dean's Office. These include: Cheating, plagiarism, fabrication, unfair advantage, unauthorized collaboration, and aiding and abetting of academic dishonesty. Students found in violation of academic integrity may receive a zero on the assignment or a failing grade for the course, **and** may be suspended or permanently expelled from the University. See the [WCAS website](#) on academic integrity and [Academic Integrity: A Basic Guide](#) for more information.

Q18: In studying for the tests, should I stress studying the notes, the books, or the readings?

A18: All of the above.

Q19: Will there be a lot of math in this class?

A19: Yes, if you hate math. If you like math, there will seem to be almost none. It's mostly algebra and graph drawing. However, if you go on in economics, you will find that some of the high-level economics classes have a lot of math in them, and a majority of Ph.D. economists also majored in math.

Q20: I come out very close to a higher grade. How about if you give it to me?

A20: No...unless you are deserving of special consideration.

Q21: Am I deserving of special consideration?

A21: That depends. I may give you a higher grade than you earn on the tests if I feel that your comments in class, section, and office hours improve the education of your fellow students and show you are able to and have been thinking intelligently about the material.

Q22: What if I have concerns about accessibility for this class?

A22: Any student with a documented disability needing accommodations is requested to speak directly to the AccessibleNU (accessiblenu@northwestern.edu, 847-467-5530) and the instructor, as early as possible in the quarter (preferably within the first two weeks of class). All discussions will remain confidential. It is great if ANU can proctor extended time exams.

Q23: Any other advice on the exams?

A23: Don't do all-nighters! A night without sleep can lower your IQ by 9 to 10 points. (In your case, that's a loss of about 5%!)

Q24: Is there anything else we're expected to know?

A24: "Please note that the specifics of this course syllabus are subject to change in the case of unforeseen circumstances. Instructors will notify students of any changes as soon as possible. Students will be responsible for abiding by the changes." Northwestern has expectations for all students outlined here: <https://www.registrar.northwestern.edu/faculty-staff/syllabi.html>

Q25: What is the most important thing?

A25: Most importantly, please be assured that I want students to learn and to receive the good grades they deserve. So please make an appointment with me should you have undue difficulty with your work in the course.

