Economics 110
Introduction to Macroeconomics

Spring Term 2014
Tues and Thur 10:10-11:55
Weitz Center 233

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Office hours: Tues & Thur 1:00 – 3:30 Wed by appointment

Course Syllabus

Learning Goals

At the completion of this course, students will be able to:
--identify the microeconomic foundations of the macroeconomy and explain how these
foundations inform the performance of the macroeconomy.
--describe how economic thought has evolved, which theories has staying power, and how new
ideas and macroeconomics are influencing policy decisions.
--identify essential statistical measures for assessing economic performance, secure economic
data from established economic sources, utilize these data to describe changes in an economy
over time.
--explain contemporary theories of economic growth, evaluate these theories in light of
economic performance, and apply one or several of the theories to predict economic
performance.
--describe component elements in employment theory, identify data that measures changes in
employment/unemployment, explain various theories of unemployment changes, and connect
the employment sector to investment and government spending decisions.
--explain inflation/deflation, describe theories that explain price level behavior, present
historical data to illustrate price level changes over time, and assess policy actions to influence
inflation/deflation.
--elucidate the full aggregate demand/aggregate supply model and explain its origins, uses, and
limitations.
--outline the impact of international trade and investment flows on the domestic economic
performance, analyze theories explaining trends in international trade and investment over
time.
--develop a full model illustrating the connection of the financial sector to the macroeconomy
and describe the components of the financial sector, how they have evolved, and what factors
have influenced their evolution.
--analyze and evaluate alternative models explaining the role of fiscal and monetary policy in
the domestic and international macroeconomies.
--explain theoretical models of the influence of the government sector on the macroeconomy,
describe how government deficit spending and debt accumulation have been influenced by
theory and policy actions, and analyze the impact of the sovereign debt crisis on the domestic
and international economies.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Chapters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tu 4/1</td>
<td>Micro Review</td>
<td>chap 1, chap 2 pp. 32-39, and chap 3</td>
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<tr>
<td>Th 4/3</td>
<td>Micro Foundations of Macroeconomics</td>
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<tr>
<td>Tu 4/8</td>
<td>Introduction to Macroeconomics</td>
<td>chap 5 and chap 6</td>
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<tr>
<td></td>
<td>Measuring National Output</td>
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<tr>
<td>Th 4/10</td>
<td>Unemployment and Inflation</td>
<td>chap 7</td>
</tr>
<tr>
<td>Tu 4/15</td>
<td>Aggregate Expenditures and Output</td>
<td>chap 8</td>
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<tr>
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<td>Topic selected &amp; submitted</td>
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<tr>
<td>We 4/16</td>
<td>Quiz I either 3:30 – 5:00 or 5:00 – 6:30</td>
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<tr>
<td>Th 4/17</td>
<td>Fiscal Policy</td>
<td>chap 9</td>
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<tr>
<td>Tu 4/22</td>
<td>Money and the Federal Reserve</td>
<td>chap 10</td>
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<td>Money Demand and Interest Rates</td>
<td>chap 11</td>
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<tr>
<td>Th 4/24</td>
<td>Aggregate Output and the Price level</td>
<td>chap 12</td>
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<tr>
<td>Tu 4/29</td>
<td>Policy Effects</td>
<td>chap 13</td>
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<tr>
<td>We 4/30</td>
<td>Review Session @ 4:30</td>
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<tr>
<td>Th 5/1</td>
<td>Midterm</td>
<td></td>
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<td>Mo 5/5</td>
<td>Break</td>
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<tr>
<td>Tu 5/6</td>
<td>Labor Market</td>
<td>chap 14</td>
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<td>Working Outline and Preliminary Biblio</td>
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<td>Th 5/8</td>
<td>Financial Crisis and Stabilization</td>
<td>chap 15</td>
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<tr>
<td>Tu 5/13</td>
<td>Financial Crisis con’t</td>
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<tr>
<td>Th 5/15</td>
<td>Household and Firm Behavior</td>
<td>chap 16</td>
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<tr>
<td>Tu 5/20</td>
<td>Long-run Growth</td>
<td>chap 17</td>
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We 5/21  Quiz II  either 3:30 – 5:00 or 5:00 – 6:30
Th 5/22  Alternative Views in Macroeconomics  chapt 18
Tu 5/27  International Trade  chapt 19
                       Paper Draft due 9o
Th 5/29  Balance of Payments and Exchange Rates  chapt 20
Tu 6/3   Growth in Developing Economies  chapt 21
We 6/4   RESEARCH PAPER  Due by 5:00
Th 6/5   Reading Days—Afternoon office hours
Fr 6/6
Mo 6/9   FINAL EXAM  8:30 – 11:00

       (You may use the 10th edition, but check the chapter references.)

EVALUATION:  Quizzes 10% each
               Midterm Exam 20%
               Research Paper 30% (includes on-time submission of topic and outline)
               See separate handout for topic suggestions and details on expectations.
               Final Exam  30%

E-MAIL:  You are expected to check your e-mail on a regular basis.

PROBLES SETS:  Problems will be uploaded to our Moodle course site after most classes. You are encouraged to work through these problems although you are not required to submit your solutions. Solutions will be uploaded within a few days.

ACADEMIC SUPPORT/DISABILITY SERVICES:  The Academic Support Center, located in Scoville Hall 204, offers tutors, coaches, writing consultants, and prefects in math. They will also help you with time management, test preparation strategies, and study skills. As you work to complete your research paper you should consider using the services of the Writing Center within the Academic Support Center.
       Disability Services office is located in the lower level of Davis Hall. This office will handle all accommodations for students with special needs, including arrangements for extra time on exams. If you need assistance, please make the connection with this office early in the term so all arrangements can be made well in advance of the first quiz.