

ECON 201 D: INTRODUCTION TO MACROECONOMICS

Winter 2022

Instructor: Resem Makan	Time: M & W, 12:30pm – 02:20pm
Email: resmakan@uw.edu	Place: SMI 404 and Zoom .

Course Page:

1. <https://canvas.uw.edu/courses/1558612>

Office Hours: Tue and Thu, 2-3pm. **Location:** Savery 319F. **Zoom link:** <https://washington.zoom.us/j/94609539475>.

Main References: This is the only textbook required for the course.

- Krugman and Wells, *Macroeconomics*, Worth Publishers, 6th edition, 2021.

Objectives: This course is designed for undergraduate students without any exposure to macroeconomics...

Prerequisites: Econ 200: Introduction to Microeconomics.

Grading Policy: Homework (20%), Article Response (15%), Midterm (30%), Final (35%).

Important Dates:

Midterm Feb 9th, 2022
Final Exam March 17th, 2022

Course Policy:

- Please sign up for *Achieve*.
- Final grades will be curved as necessary to reach a median grade between 2.9 and 3.1. Usually 80-90% is a B+/- and 90-100% is an A+/-.

Class Policy:

- Regular attendance is essential and expected.
- In ECON 201 D, lectures will be offered live at the regularly scheduled class time unless mandated by the university. They will be recorded and lecture slides will be available for viewing on Canvas. Office hours will be held in-person as well as remotely through Zoom. Assignments must be submitted remotely via Canvas. Exams will be given in-person.

Make-up policy:

- I will require both the phone number and address of the doctor/clinic in order to verify the authenticity of the documentation you provide.

Assignments:

- Weekly assignments are due by the weekend, every Sunday at 11:59pm. They are to be done on Macmillan's *Achieve* portal.

Article response:

- You will be required to submit 3 article responses over the quarter. This is to help you use one of the models from class to analyse a news article of your choice. The accepted sources are *The New York Times*, *The Wall Street Journal*, and *The Financial Times*. Their due dates are Jan 16th, Feb 6th, and Mar 6th respectively. I will give more details as the weeks progress.

Course Outline: |

1. Introduction to economics and the concepts of scarcity and opportunity cost including some examples and applications. Chapters 1 and 2.
2. Supply and Demand, the basic models of markets are trade. Chapter 3.
3. Introduction to Macroeconomics, history of macroeconomics as a discipline. Chapter 6.
4. Macroeconomic Data. What do we look at when talking about the macroeconomy? We will look at GDP, output, income, the price level, and inflation. Chapters 7 and 8.
5. Long Run Growth. We will start thinking about what determines output, starting with the long run. We will learn about the role of capital, human capital, infrastructure and institutions. Chapter 9
6. Savings and Investment. What determines how much people save, and firms invest? We will look at the function of capital markets and financial markets. Chapter 10.
7. Income and Expenditure. What determines how much people spend, and how do firms know to produce enough to meet their demand? We will learn the Keynesian Cross, an important model of income and spending, and Multiplier Process of spending. Chapter 11
8. We will then add the price level to the story of income and expenditure, completing our theory of what determines economic output and prices. This model of Aggregate Demand and Supply will be our main tool to analyze the macroeconomy. Chapter 12.
9. Fiscal Policy: How can the government respond to recession? What does the government do with the taxes and spending it carries out? Chapter 13.
10. Money and Banking. We will show that money is a very special financial asset, and that banking plays a very special role in money creation. Chapter 14.
11. Monetary Policy is carried out by the Federal Reserve; we will discuss the history and role of the Fed, and how they can respond to recession using Monetary Policy. Chapter 16.
12. We will conclude by analyzing an important episode of Macroeconomic history, the Disinflation of the early 80s, and talk about the limits of using Monetary Policy to promote growth. Chapter 16. Or maybe we'll talk about the most recent recession and the important of financial crises. Chapter 17. We'll see. Sometime we get to this, sometimes we don't.

Accommodations for Students with Disabilities:

- Your experience in this class is important to me. If you have already established accommodations with Disability Resources for Students (DRS), please talk to me at your earliest convenience so we can discuss your needs in this course.

- If you have not yet established services through DRS, but have a temporary health condition or permanent disability that requires accommodations (conditions include but not limited to; mental health, attention-related, learning, vision, hearing, physical or health impacts), you are welcome to contact DRS at 206-543-8924 or uwdrs@uw.edu. Or visit <http://depts.washington.edu/uwdrs/>.
- DRS offers resources and coordinates reasonable accommodations for students with disabilities and/or temporary health conditions. Reasonable accommodations are established through an interactive process between you, your instructor and DRS. It is the policy and practice of the University of Washington to create inclusive and accessible learning environments consistent with federal and state law.

Religious accommodations:

- Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at Religious Accommodations Policy (<https://registrar.washington.edu/staffandfaculty/religious-accommodations-policy/>).
- Accommodations must be requested within the first two weeks of this course using the Religious Accommodations Request form (<https://registrar.washington.edu/students/religious-accommodations-request/>).

Academic Honesty:

1. Exams are individual work and cheating will not be tolerated. Looking at a neighbor's exam is considered cheating. If a student is seen committing this act, they will not be allowed to continue taking their exam. The neighbor sitting next to the student will also be duly punished if they are seen as facilitating this act of cheating.
2. Altering an exam before submitting it for a review of the grading, obtaining an advance copy of an examination, or arranging for a surrogate test-taker are all flagrant violations of University policy.
3. Cheating of any kind may result in expulsion from the University. The Department will follow University policy in case of academic misconduct. I strongly recommend that you review University policy at <http://www.washington.edu/uaa/advising/help/academichonesty.php>
4. Students found to have engaged in academic dishonesty will be subject to sanctions, which range from a disciplinary warning to permanent expulsion from the University, depending on the seriousness of the misconduct.

Week	Date	Outline
1	Jan 3 rd & Jan 5 th	Chapter 1: First Principles Chapter 2: Tradeoffs and Trade Chapter 6: The Big Picture
2	Jan 10 th	Chapter 3: Supply and Demand
	Jan 12 th	Chapter 5: International Trade
3	Jan 17 th	Chapter 7: GDP and CPI
	Jan 19 th	Chapter 8: Unemployment and Inflation
4	Jan 24 th & Jan 26 th	Chapter 9: Long-run Growth
5	Jan 31 st & Feb 2 nd	Chapter 10: Savings and Investment
6	Feb 7 th	Chapter 11: Income and Expenditure
	Feb 9 th	Midterm
7	Feb 14 th & Feb 16 th	Chapter 12: Aggregate Demand & Supply
8	Feb 21 st & Feb 23 rd	Chapter 13: Fiscal Policy
9	Feb 28 th & Mar 2 nd	Chapter 14: Money, Banking, & The Fed
10	Mar 7 th & Mar 9 th	Chapter 15: Monetary Policy
11	Mar 17 th	Finals

Table 1: Weekly schedule