

ECON 201 E: Introduction to Macroeconomics

Winter 2023

Instructor:	Yizhan Huang	Meeting Time:	TTH 6:30 - 8:20 PM
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Office Hours:	M 2:00 - 4:00 PM SAV 319F	Course Page:	UW Canvas

Introduction

Recently, Ben S. Bernake, Douglas W. Diamond, and Philip H. Dybvig were honored with the Nobel Memorial Prize in Economic Sciences for their research on banks and financial crises. While this news is celebrated within the macroeconomic community, it is important to acknowledge that there is still much we do not understand about macroeconomics. The complexity of macroeconomics stems from the interactions of various aggregate variables that are influenced by a multitude of agents and factors. If you are considering pursuing a career in macroeconomics, you may be interested in exploring this complexity further.

In this course, we will begin by covering the fundamental concepts of macroeconomics and their basic dynamics. As the instructor, my goal is to help you learn macroeconomics through a variety of methods, including lectures, problem sets, writing assignments, and exams. While class participation is not a factor in your final grade, I strongly encourage you to attend every class as we will have in-class discussions and quiz sections that will help you gain a deeper understanding of the material. Additionally, we will strive to engage with current macroeconomic policy issues throughout the quarter, applying the concepts we cover in class to real-world situations.

Textbook

The required textbook for this course is *Macroeconomics, Sixth Edition* by Paul Krugman and Robin Wells. You are also required to purchase the associated access to the publisher's online homework site (Macmillan Achieve). I recommend you purchase the bundled e-book and website access via Canvas for the best price. A two week free trial is available for those who are unsure about continuing in the class.

For additional reference, I recommend *Macroeconomics, 10th Edition* by Andrew Abel, Ben Bernanke, and Dean Croushore (not required).

Learning Objectives

- Understand key macroeconomic concepts, including employment, inflation, growth, money.
- Become familiar with macroeconomic models such as Income-Expenditure Model and AD-AS model.
- Apply the concepts and tools learned in this class to analyze different macroeconomic events.

Grading

I will use the higher grade from the following two calculations as your final grade:

1. Problem Sets (30%), Writing Assignments (20%), Exam 1 (20%), Exam 2 (30%).
2. Problem Sets (30%), Writing Assignments (20%), Exam 1 (0%), Exam 2 (50%).

Under this grading policy, students who do not perform well in the first exam can safely bypass its potential bad outcome. However, it does not mean you should ignore the first exam. A good performance in exam 1 will help to improve your final grade.

- **Problem Sets:** There are eight problem sets. Each problem set is worth 5% of your final grade. Two lowest scores of your problem sets will be dropped from your final grade. Problem sets are due in Macmillan Achieve at 11:59 pm PST every Monday night except the Monday after Exam 1. You are encouraged to work as a group to solve the problem sets, however, you must submit your own work on Canvas.
- **Writing Assignments:** Students benefit from the ability to write a good piece of economic analysis. This course gives you an opportunity to develop such ability. There will be two writing assignments. Each of them is worth 10% of your final grade. For detailed requirements and writing sample, please refer to the writing assignment section on course Canvas page.
- **Exams:** Both exams are closed-book and not cumulative. You will be expected to take your exams live and in-person during regular class time (exam 1 on Feb. 2nd and exam 2 on Mar. 9th). Final grades will be curved as necessary to reach a median grade for the class between 2.9 and 3.1. I will apply a standard conversion where 80-90% is a B+/- and 90-100% is an A+/- ([Standard Grading System](#))

Makeup Policies and Flexibility

- **Late Submissions:** Late submissions of problem sets will automatically receive 0. As mentioned above, two lowest scores of your problem sets will be dropped from your final grade. There will not be additional makeup policy for problem sets. Late submissions of writing assignments are acceptable. However, late submissions within 7 days will incur a 2/10 grade penalty and late submissions over 7 days will incur a 5/10 grade penalty. The last day you can submit your writing assignments is March 17th.
- **Makeup Exams:** Makeup exams are only given under extreme circumstances, including sickness, family emergency, public safety, and you should notify me before the end of the exam day if you need a makeup. Makeup exam will be scheduled within 5 days after the regular exam.

Accommodations

Students who have established services with Disability Resources for Students (DRS) should contact me about their accommodations as soon as possible. Students with disabilities who have not yet established services with DRS should email them at uwdrs@uw.edu or call them at (206) 543-8924 to set up an Access Plan. For more information, please visit [DRS Homepage](#).

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 Accommodation Policy](#). Accommodations must be requested within the first two weeks of this course using the [Religious Accommodations Request Form](#).

Academic Integrity

Cheating of any kind will not be tolerated. It is the responsibility of all students to familiarize themselves with and adhere to academic misconduct policies at the UW, as outlined in the [Student Conduct Policy for Academic Misconduct and Behavioral Misconduct](#). Those found to have engaged in academic dishonesty will face consequences, including disciplinary warnings and potentially permanent expulsion from the University, depending on the severity of the offense.

Tentative Course Outline

Week	Date	Topics	Required Readings
1	Jan 3	Introduction	Syllabus
	Jan 5	Supply and Demand, International Trade	Chapter 3, 4, 5
2	Jan 9	Problem Set 1 Due by 11:59 PM	
	Jan 10	Big Picture of Macro, GDP, and CPI	Chapter 6, 7
	Jan 12	Unemployment and Inflation	Chapter 8
3	Jan 16	Problem Set 2 Due by 11:59 PM	
	Jan 17	Long-Run Economic Growth	Chapter 9
	Jan 19	Savings, Investment, and Financial System	Chapter 10
4	Jan 23	Problem Set 3 Due by 11:59 PM	
	Jan 24	Income-Expenditure Model	Chapter 11
	Jan 26	Aggregate Demand and Aggregate Supply	Chapter 12
	Jan 29	Writing Assignment 1 Due by 11:59 PM	
5	Jan 30	Problem Set 4 Due by 11:59 PM	
	Jan 31	Summary and Review	
	Feb 2	Exam 1: 6:30 - 7:50 PM THO 135	
6	Feb 7	AD-AS Model and Fiscal Policy	Chapter 12, 13
	Feb 9	AD-AS Model and Fiscal Policy	Chapter 12, 13
7	Feb 13	Problem Set 5 Due by 11:59 PM	
	Feb 14	Money, Banking, and Federal Reserve System	Chapter 14
	Feb 16	Monetary Policy	Chapter 15
8	Feb 20	Problem Set 6 Due by 11:59 PM	
	Feb 21	Monetary Policy and Phillips Curve	Chapter 15, 16
	Feb 23	Monetary Policy and Phillips Curve	Chapter 15, 16
9	Feb 27	Problem Set 7 Due by 11:59 PM	
	Feb 28	International Macroeconomics	Chapter 18
	Mar 2	Covid-19 Pandemic and Government Policy Response	Articles on Canvas
10	Mar 5	Writing Assignment 2 Due by 11:59 PM	
	Mar 6	Problem Set 8 Due by 11:59 PM	
	Mar 7	Summary and Review	
	Mar 9	Exam 2: 6:30 - 8:20 PM THO 135	
Final Week	Mar 17	Last day for Writing Assignment Submission	