

Econ 304: Intermediate Macroeconomics Theory

Fall 2023

College of William & Mary

Instructor: Abhiprerna Smit
Office Hours: Tues/Thurs 11:30am – 1pm (or by appointment)
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| Section: | Day/Time | Location | Final Exam |
|------------|--------------------------|-----------|---------------------------------|
| 01 (10028) | Tues/Thurs 2:00 - 3:20pm | BOSWEL 38 | December 19 th 2p-5p |

Course Description:

This course aims to provide students with a structural framework to think about macroeconomic issues. You will learn analytical tools, both mathematical and graphical, to understand and analyze macroeconomic concepts. At the end of the course, you should be able to understand basic macroeconomic data, how macroeconomic policy impacts the economy, and the concept of macroeconomic growth. This course is relevant to all students interested in learning a framework to interpret the current economic events. It is particularly useful for students planning to pursue graduate economics degree, and careers in finance, consulting, or at economic policy institutions.

Suggested Textbook:

- Olivier Blanchard, *Macroeconomics*, 8th Ed (ISBN: 9780134897899).

Additional Readings:

During the course, I will make available supplementary required reading material via Blackboard. Students are also encouraged to read articles from the following sources, all of which can be accessed through the [W&M library](#).

- The Wall Street Journal
- The Economist

Prerequisites:

ECON 102 (Principles of Macroeconomics). Students should be familiar with the concepts of demand and supply, basics of monetary and fiscal policy, and more generally with linear algebra. Students are also expected to know how to solve system of equations, do simple calculus, and graph equations.

General Course Expectations:

You are responsible for attending the class and ensuring that you take proper notes. Everything covered in the slides and class may be quizzed on exams. You are strongly encouraged to participate in class and to ask questions, in class or office hours. Your success in the course will be greatly determined by being attentive in class, keeping up with the material and HW, and ensuring that your doubts are addressed earlier rather than later.

Assignments:

The class will have a total of 6 HW assignments each of which will be 25 points. Together the HWs will account for 30% of your total grades. All assignments will count towards your final grades. Homework assignments will be due on Fridays starting from Week 2. Please refer to the course outline at the end of the syllabus for HW deadlines. All submissions will be through Blackboard.

Some rules to keep in mind- Late assignments will not be graded and this is non-negotiable. I will set a default penalty of -25 points for late submissions. If you are submitting scans of handwritten HWs, please make sure that your handwriting is legible, and your scans are clear and in pdf format. Do not submit pictures of assignments. You can use iPhone notes or CamScanner app to scan your HWs. You are encouraged to work together on assignments. However, each student must submit their own work.

Examinations:

There will be 2 Midterm exams in addition to the Final exam. Each midterm will be 100 points and will together account for 40% of your grade. The final exam will be cumulative and will account for 30% of your total grade. Exams will be on following days:

| | |
|------------|---------------------------|
| Midterm I | October 3 rd |
| Midterm II | November 2 nd |
| Final | December 19 th |

Examination Absence Policy:

There is no remake available for the exams. If you miss either of the midterm exams due to a medical emergency, I will replace your score with your score on the next exam.

Grading Policy:

Grades will tentatively be assigned according to the following rubric-

| | | |
|----------------|-----|-----|
| Assignments | 150 | 30% |
| Midterm I & II | 200 | 40% |
| Final | 150 | 30% |

Below is the tentative grade scale that I will follow. It might change depending on the performance of the class:

| Grade | Points | Grade | Points |
|-------|---------|-------|---------|
| A | 500-460 | C | 369-350 |
| A- | 459-440 | C- | 349-335 |
| B+ | 439-425 | D+ | 334-320 |
| B | 424-405 | D | 319-300 |
| B- | 404-385 | D- | 299-275 |
| C+ | 384-370 | F | <275 |

Extra Credit Policy- There are no extra credits in this class.

Policy on use of AI:

All work submitted in this course, whether in draft or final form, must be your own and must be cited appropriately. If you choose to incorporate AI-generated content or ideas in assignments, you must indicate your use of such tools by including a formal citation to ChatGPT or any other platforms used. You remain responsible for the validity of all material generated, noting that AI-generated content often contains falsehoods and fictional sources. I strongly recommend that you carefully check all AI-generated content before submitting it for review.

Academic Honesty:

I expect everyone to follow the Honor Code. Please see your student handbook for details. “As a member of the William and Mary community, I pledge on my honor not to lie, cheat, or steal, either in my academic or personal life. I understand that such acts violate the Honor Code and undermine the community of trust, of which we are all stewards.” A minimum penalty for any breach of academic integrity is the grade of “F” for the course.

Student Accessibility Services:

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see <https://www.wm.edu/sas>.

Mental and Physical Well-Being:

I recognize that students juggle different responsibilities and can face challenges that make learning difficult. There are many resources available at W&M to help you navigate emotional/psychological, physical/medical, material/accessibility concerns, including:

- The W&M Counseling Center, 757-221-3620 (services are free and confidential)
- The W&M Health Center, 757-221-4386
- For additional support, contact the Dean of Students, 757-221-2510
- For additional resources, visit <https://www.wm.edu/offices/wellness/resources/>.

Course Outline – Econ 304:

| Lecture | Date | Topics | Deadlines/Holidays |
|------------|---------------------------|--|---|
| Lecture 1 | Aug 31 st | Introduction & Ch. 2 | |
| Lecture 2 | Sep 5 th | Chapter 2: Output, Inflation, and Unemployment | |
| Lecture 3 | Sep 6 th | Chapter 3: The Goods Market | |
| Lecture 4 | Sep 12 th | Chapter 3: The Goods Market | |
| Lecture 5 | Sep 14 th | Chapter 4: Financial Markets | Sep 15 th – Assignment 1 Due |
| Lecture 6 | Sep 19 th | Chapter 4: Financial Markets | |
| Lecture 7 | Sep 21 st | Chapter 5: IS-LM Model | |
| Lecture 8 | Sep 26 th | Chapter 5: IS-LM Model | |
| Lecture 9 | Sep 28 th | Chapter 6: IS-LM Model contd. (partly) | Sep 29 th – Assignment 2 Due |
| | | | |
| Lecture 10 | Oct 3rd | MIDTERM I | |
| | | | |
| Lecture 11 | Oct 5 th | Chapter 7: The Labor Market | |
| Lecture 12 | Oct 10 th | Chapter 7: The Labor Market | |
| Lecture 13 | Oct 12 th | | Fall Break – No class |
| Lecture 14 | Oct 17 th | Chapter 8: Phillips Curve, Unemployment, & Inflation | |
| Lecture 15 | Oct 19 th | Chapter 8: Phillips Curve, Unemployment, & Inflation | Oct 20 th – Assignment 3 Due |
| Lecture 16 | Oct 24 th | Chapter 9: AD-AS Model | |
| Lecture 17 | Oct 26 th | Chapter 9: AD-AS Model | |
| Lecture 18 | Oct 31 st | Chapter 9: AD-AS Model | |
| | | | |
| Lecture 19 | Nov 2nd | MIDTERM II (covers Ch 7, 8, & 9) | Nov 3 rd – Assignment 4 Due |
| | | | |
| Lecture 20 | Nov 7 th | | Election Day – No Class |
| Lecture 21 | Nov 9 th | Chapter 10: The Facts of Growth | |
| Lecture 22 | Nov 14 th | Chapter 11: Saving, Capital Accumulation, & Output | |
| Lecture 23 | Nov 16 th | Chapter 11: Saving, Capital Accumulation, & Output | Nov 17 th – Assignment 5 Due |
| Lecture 24 | Nov 21 st | TBD | Recorded Lecture |
| Lecture 25 | Nov 23 rd | | Thanksgiving – No class |
| Lecture 26 | Nov 28 th | Chapter 14: Financial Market & Expectations | |
| Lecture 27 | Nov 30 th | Chapter 14: Financial Market & Expectations | |
| Lecture 28 | Dec 5 th | Chapter 14: Financial Market & Expectations | |
| Lecture 29 | Dec 7 th | Open-ended class session | Dec 8 th – Assignment 6 Due |
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| Lecture 30 | Dec 19 th | FINAL EXAM (cumulative!) | |

*All topics and grading rubric on this syllabus are subject to change depending on the class performance.