Course Description

The course serves as an introduction to the concepts and measurements of economic aggregates, such as: national income, consumption, investment, and economy-wide variables such as interest rates, exchange rates, inflation, and the unemployment rate. We will model the determinants of these variables and study the effect of fiscal and monetary policies on these aggregates.

Learning Goals

In this course you are expected to learn the following:

(a) How the availability of capital and labor affect a country’s standard of living.
(b) How technological progress results in economic growth and higher living standards.
(c) The key determinates of unemployment and inflation in the long run.
(d) How government policy affects unemployment and inflation in the short run.
(e) How to analyze all these questions using rigorous, mathematical models.

Course Staff

Professor:
Dan Tortorice
Office Hours: Wednesdays 1:30 - 3:30pm or email for appointment.
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Teaching Assistants:
Yahav Itzkovich         Jennifer Craig
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Office Hours: TBA       Office Hours: TBA

Prerequisites

Two semesters of introductory economics (Economics 2a and 8b) are required to take this course. Knowledge of calculus at the level of Math 10a is also required. Every student taking Econ 82b must have either: (a) completed Math 10a with a grade of C- or better, or (b) scored at least 4 on the AP Mathematics AB test or at least 3 on the AP Mathematics BC test, or (c) passed a placement exam which the economics department administers at the beginning of each semester. No one may take this course unless all the prerequisites are satisfied. While the course instructors can refresh memories on the prerequisite materials, we will not serve as a substitute for the prerequisites.
Class Schedule

Lecture One: Monday/Wednesday 3:30pm-4:50pm   Lemberg    55
Lecture Two: Monday/Wednesday 5:00pm-6:20pm   Lemberg    55
Recitation One: Thursday  6:30pm-7:20pm                Olin-Sang Amer Civ Ctr 101
Recitation Two: Thursday 7:30pm-8:20pm                Olin-Sang Amer Civ Ctr 101

Required Readings


Coursework and Grading

Coursework will consist of class attendance and participation, 10 problem sets, short quizzes in the recitations sections, a midterm exam and a final exam. The final grade is determined using the following weighting scheme: problem sets are 15%, class participation is 10%, the midterm exam is 35%, and the final exam is 40%.

Problem sets are due in lecture as indicated on the syllabus and problem set. They will be returned in recitation. The lowest problem set grade will be dropped.

Five relatively easy, short quizzes will be given in the recitations sections. For each grade of five out of five a student receives on a short quiz, I will add a point to his or her final course grade.

Course Policies

Laptops and Cell Phones
Use of laptop computers or cell phones is not allowed in the classroom at any time.

Class Attendance and Participation
Students are expected to attend class and attendance will be recorded by having students sign an attendance sheet at the end of select classes. In addition, students are expected to come to class on time and be attentive during class. Excessive breaks from class and excessive in-class discussions with other students will result in students being marked absent.

Absence from Exams

Check the date of the midterm exam. Notify me as soon as possible if you are unable to make the exam date. If there are any conflicts, I will give a makeup exam approximately one week after the midterm exam

I only allow students to take a makeup midterm exam if they have obtained an excused absence from me and except in the case of emergency or sudden illness all excused absences must be obtained in advance. An excused absence is granted at my discretion and will be granted only if you have a serious, unavoidable conflict that prevents you from taking the exam. In general, if you are able to be on campus the day of the exam you will be expected to take it. If you are unable to take an exam due to illness I will excuse you with a note from the health center or a physician. Students receive a grade of zero for any exam for which there is an unexcused absence.

Please note that the registrar’s office handles all absences from the final exam.
Late Problem Sets

Once solutions have been posted (usually immediately after class on the due date) problem sets will no longer be accepted and a grade of zero will be given for any missing assignment. I realize circumstances may prevent students from turning in an assignment. That is why I drop the lowest problem set grade. If illness or an emergency prevents a student from turning in an additional problem set on time I may at my discretion excuse a student with proper documentation. If excused, all other problem sets will be reweighted accordingly. If a student is unable to attend lecture on the day a problem set is due, it is his or her responsibility to make alternate arrangements to turn in the assignment.

Collaboration and Academic Honesty

Students are expected to work with each other on the problem sets. However the final write up of answers you turn in are to be your own. Do not copy someone else's answer. You will gain nothing and will be in violation of Brandeis University rules.

You are expected to be familiar with and to follow the University's policies on academic integrity (http://www.brandeis.edu/studentlife/sdc/ai). Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judicial System. Potential sanctions include failure in the course and suspension from the University.

Special Accommodations

If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me immediately.

If you have a conflict with the midterm exam time it must be resolved immediately.

Course Web Page

The course web page will be posted on the LATTE system. Course announcements, assignments, notes, and handouts will be posted on this page.

Supplementary Readings

The course will cover the first 13 chapters of the Mankiw book. I recommend chapters 16-19 for students interested in advanced study in economics.

Staying astride of current economic news will make the course more informative and lively. Any mainstream media outlet will report on economic news. I find the Economist and the Wall Street Journal particularly emphasize economics.

Many economists write blogs that will provide a nice complement to the work in this course. Some of my favorites are: Tyler Cowen and Alex Tabarrok (http://www.marginalrevolution.com/) Brad DeLong (http://delong.typepad.com/), Paul Krugman (http://krugman.blogs.nytimes.com/), Greg Mankiw (http://gregmankiw.blogspot.com/), Dani Rodrik (http://rodrik.typepad.com/), and Mark Thoma (http://economistsview.typepad.com/). Students should pay particular attention to Greg’s blog. He is the author of your textbook and occasionally uses the blog to answer questions from students.
Course Outline

Week 1
Wednesday September 5th
Lecture: The Data of Macroeconomics
Readings: Macroeconomics Ch 1 and 2
Assignments: Problem Set 1 available.

No Recitation

Week 2
Monday, September 10th
Lecture: The Data of Macroeconomics and National Income
Readings: Macroeconomics Ch 2

Wednesday, September 12th
Lecture: National Income continued
Readings: Macroeconomics Ch 3

Thursday, September 13th
Recitation Section

Week 3
Monday, September 17th
No Class – Rosh Hashana

Wednesday, September 19th
Lecture: Economic Growth I: Capital Accumulation and Population Growth
Readings: Macroeconomics Ch 8
Assignments: Problem Set 1 Due. Problem Set 2 Available.

Thursday, September 20th
Lecture: Economic Growth I: Capital Accumulation and Population Growth Continued
Readings: Macroeconomics Ch 8

Week 4
Monday, September 24th
Lecture: Economic Growth: Technology, Empirics and Policy
Readings: Macroeconomics Ch 9
Assignments: Problem Set 2 Due. Problem Set 3 available.

Wednesday, September 26th
No Class Yom Kippur

Thursday, September 27th
Recitation Section

Week 5
Monday, October 1st
No Class Yom Kippur

Wednesday, October 3rd
Lecture: Economic Growth: Technology, Empirics and Policy
Readings: Macroeconomics Ch 9
Thursday October 4th  
Recitation Section

Week 6
Monday, October 8th  
No Class -- Shemini Atzeret
Tuesday, October 9th  
Lecture: Money and Inflation  
Readings: Macroeconomics Ch 4 & 5  
Assignments: Problem Set 3 Due. Problem Set 4 available.
Wednesday October 10th  
Lecture: Money and Inflation Continued  
Readings: Macroeconomics Ch 4 & 5
Thursday October 11th  
Recitation Section

Week 7
Monday, October 15th  
Lecture: The Open Economy  
Readings: Macroeconomics Ch 6  
Assignments: Problem Set 4 Due. Problem Set 5 available.
Wednesday, October 17th  
Lecture: Unemployment  
Readings: Macroeconomics Ch 7
Thursday, October 18th  
Recitation Section

Week 7
Monday, October 22nd  
Lecture: Unemployment Continued  
Readings: Macroeconomics Ch 7  
Assignments: Problem Set 5 Due
Wednesday, October 24th  
Exam Review
Thursday, October 25th  
MIDTERM EXAM 6:40pm – 8:10pm

Week 8
Monday, October 29th  
Lecture: Introduction to Economic Fluctuations  
Readings: Macroeconomics Ch 10  
Assignments: Problem Set 6 available.
Wednesday, October 31st  
Lecture: Introduction to Economic Fluctuations Continued  
Readings: Macroeconomics Ch 10
Thursday, November 1st
Week 9
Monday, November 5th
Lecture: Aggregate Demand I: Building the IS-LM Model
Readings: *Macroeconomics* Ch 11
Assignments: Problem Set 6 Due. Problem Set 7 available.
Wednesday, November 7th
Lecture: Aggregate Demand I: Building the IS-LM Model Continued
Readings: *Macroeconomics* Ch 11
Thursday, November 8th
Recitation Section

Week 10
Monday, November 12th
Lecture: Aggregate Demand II: Applying the IS-LM Model
Readings: *Macroeconomics* Ch 12
Assignment: Problem Set 7 Due. Problem Set 8 Available.
Wednesday, November 14th
Lecture: Aggregate Demand II: Applying the IS-LM Model Continued
Readings: *Macroeconomics* Ch 12
Thursday, November 15th
Recitation Section

Week 11
Monday, November 19th
Lecture: Aggregate Supply and the Short-run Tradeoff Between Inflation and Unemployment
Readings: *Macroeconomics* Ch 14
Assignments: Problem Set 8 Due. Problem Set 9 available.
Wednesday, November 21st
No Class Thanksgiving

Week 12
Monday, November 26th
Lecture: Aggregate Supply and the Short-run Tradeoff Between Inflation and Unemployment Continued
Readings: *Macroeconomics* Ch 14
Wednesday, November 28th
Lecture: The Open Economy Revisited: The Mundell-Fleming Model and the Exchange Rate-Regime
Readings: *Macroeconomics* Ch 13
Assignments: Problem Set 10 available.
Thursday, November 29th
Recitation Section
Week 13
Monday, December 3rd
Lecture: The Open Economy Revisited: The Mundell-Fleming Model and the Exchange Rate-Regime Continued
Readings: Macroeconomics Ch 13
Assignments: Problem Set 9 Due.
Wednesday December 5th
Lecture: To be Determined
Thursday, November 18th
Recitation Section

Week 14
Monday, December 10th
Lecture: To be Determined
Assignments: Problem Set 10 Due
Wednesday December 12th
Lecture: Final Exam Review