

Econ 302: Macroeconomic Analysis
Professor Shelton

I. Introduction

Macroeconomics is the study of large economic aggregates. Our primary subject will be the US economy but we will also touch on the national economies of other developed countries. We seek to understand fluctuations in output, employment, and prices (not only consumer price inflation but also interest rates, exchange rates, and wages) at a variety of frequencies: changes from quarter-to-quarter, year-to-year, and decade-to-decade. This course will build a coherent set of models explaining the relationship between these macroeconomic variables. Students will use these models to understand the effects of various events and policy choices on the national economy of a developed country.

Prerequisites

Econ 110, Econ 300

Goals:

The main goal is to learn a set of models to enable students to analyze the short and medium-run macroeconomic effects of events and policy choices. Ancillary goals that will be achieved along the way include

- Familiarity with a variety of terms
- Familiarity with macroeconomic data: sources and approximate magnitudes
- Practice applying methods from Econ 300
- Ability to read and critically assess articles on Macroeconomics in the Economist, Financial Times, or Wall Street Journal.

II. Assignments and Grades

There will be five problem sets, two midterms, and one final. Problem sets must be submitted in the course box in the alcove by 5pm on the due date. E-mail submissions will not be accepted. Late submissions will not be accepted. Missing problem sets receive a grade of zero. There are no make-up exams. Individual assignment grades will be given as a raw score. The final numerical grade will be calculated as the weighted average of the individual assignment grades using the following weights:

Participation: 10%
5 Problem Sets: 25%
Midterm 1: 15%
Midterm 2: 15%
Final: 35%

Letter grades for the course will be assigned based on a curve applied to the set of final numerical grades.

Required Readings

Blanchard, *Macroeconomics*, fourth edition, Prentice Hall.

This text should be available both at Broad Street Books and via online booksellers. If you choose to buy an earlier edition or an overseas edition I cannot guarantee accuracy of page numbers or congruence of content.

Legibility

Grading papers and exams is repetitive at best and can be a frustrating task when papers are messy. Be nice to your grader and make your assignments legible. Problem sets need not be typed but points may be lost due to illegible handwriting, poorly organized answer sheets, or other obstacles for the grader. I always try to search for the hidden glow of understanding and award as many points as possible, but please do not lead me on a treasure hunt across your assignment in search of your train of thought. If your initial write-up is a messy, recopy to a clean sheet. Such reiteration will not only please your grader but also further your understanding through repetition and help you to catch mistakes. Allowances will be made on exams for time-pressure, stress, cramped hands and so on but there too, legible and organized answers are appreciated.

Collaboration

Students may collaborate with, at most, one other student on problem sets. In this case, one problem set may be handed in with both students' names written on the finished problem set.

Regrades

Requests for re-grades are strongly discouraged but not prohibited. The grading rubrics are designed to be as simple as possible but there is still room for error. If you think I missed the brilliance of your answer, first recheck the solutions to be sure your answer was actually correct. If you are still convinced you deserved better, submit the assignment to me with a brief explanation of the error. Regrade requests will be accepted within one week of the return of the assignment. **Caution: I will regrade the entire assignment. As a result, your grade may go up or down, depending on what I find in other parts of the assignment.**

III. Assistance

TA: Rhonde McPherson

Email: rmcpherson@wesleyan.edu

Rhonde will be available to answer questions via email and will also hold review sessions during the week before problem sets are due.

My Office Hours:

PAC 222

M/W 1:00-2:30 and by appointment

Review sessions for E-views and DataInsight will be held February 8th and 9th. Signups at http://gonzo.wesleyan.edu:8500/qac/Eviews_s07_econ302.cfm

QAC Tutors:

Starting on 1/29 the QAC tutors will be available in PAC 100

Monday -Friday 2-5

Monday -Thursday 7-10

Sunday 6-10