

ECON 110B - Intermediate Macroeconomics

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Overview of the Class

Over the last two centuries, US real GDP has grown at an average rate between 2 and 3 percent a year, but this growth has been anything but smooth. Annual growth rates over the last 50 years have ranged from -2 percent or less (in 1975, 1982, and 2008) to 8 percent (in 1966 and 1984). These short-term “fluctuations” or “business cycles” are the subject of intense interest by businesses and play an important role in their decisions to hire, produce, and invest.

In this class we study the determinants of short-run fluctuations. Short-run fluctuations in output lead to costly economic recessions during which unemployment rises and economic activity falls substantially. Understanding their causes and how to respond to recessions is a primary concern of policymakers in central banks and governments alike. We will learn (i) how the economy behaves during recessions, (ii) what changes in the economy cause recessions and (iii) how policymakers can respond to recessions so as to stabilize economic activity. While we lean on empirical facts and real-world applications to motivate and guide our learning, the goal of this class is to provide you with modern theoretical tools that macroeconomists use to reason about short-run fluctuations.

This syllabus covers important organizational details. I consider the Syllabus my contract with you and I commit to uphold it as written. However, these are unprecedented times, and events outside our control can change the conditions under which the class is taking place. While I do not anticipate doing so, situations may arise that require adjustments of the class rules to ensure that the quality of your learning is preserved. I commit to keep you promptly informed and included in the decision process.

Course Material and Attendance

The required textbook for the class is “Charles Jones: Macroeconomics, 5th edition”. I will also provide additional notes and lecture slides on Canvas. The notes summarize

important concepts and contain the practice exercises for this class. You can find the schedule of lectures below. Following lectures is an individual student's responsibility, everything I say during lecture is fair game for the exams, unless noted otherwise.

The textbook is provided by the UC San Diego Bookstore through Canvas. You will need to opt in to the Inclusive Access program by January 16th, 2021 to access the materials at a special reduced price. If you decide not to opt in, you will be responsible for sourcing the materials elsewhere. For any questions about billing please contact textbooks@ucsd.edu. For any questions about using your eBook please reference RedShelf Solve. To opt-IN: Click the RedShelf link in Canvas Click View Course Materials Select "OPT-IN to Course Materials" You will have until Saturday, January 16th, 2021 to complete this process or you will be responsible for getting access to the materials elsewhere.

Logistics

We meet two times a week on Tuesdays and Thursdays from 5:00 pm to 6:20 pm live on zoom. You can access the lecture meetings via Zoom through Canvas.

I will hold regular office hours on zoom on Friday mornings from 9am to 11:30am. The zoom link for the office hours is: <https://ucsd.zoom.us/my/ftrottner>. For fairness, if another student is waiting while we are talking, I will limit the time with each student to 10 minutes, unless two or students agree to jointly talk to me.

Minki Kim, our TA, will hold discussion sections on Mondays from 5:00 to 5:50 pm, also on Zoom.

Exams

There will be two in-class midterm exams (75 minutes, covering content from weeks 1 to 4, and weeks 5 to 7 respectively), and one final exam (2 hours, cumulative). Please mark your calendar as follows:

1. Tuesday, February 2nd 2021: First Midterm (both sections, during respective class time)
2. Tuesday, February 23rd 2021: Second Midterm (all sections, during respective class time)
3. Thursday, March 18th 2021, 7:00 to 9:00 pm, Final Exam for Section B
4. Thursday, March 16th 2021, 7:00 to 9:00 pm, Final Exam for Section C

I will make practice exams available during the week before each exam. Right now, I plan to conduct the exams in a closed-book, closed-notes format. Should this change, I will let you know well ahead of time.

Grading

There is a total of 100 points up for grabs in this course. Your grade will be determined as the better of these two grading options:

1. 10% from problem sets (complete/incomplete), 5% from reflections (complete/incomplete), 25% weight on each midterm (50% total), and 35% on the final.
2. 10% problem sets (complete incomplete), 5% reflections, 35% weight on the better midterm, 50% on the final

If you miss one of the midterms without an accepted excuse, then grading policy 2. applies automatically. See further below for the protocol on missed examinations.

Problem Sets At the end of each sets of notes, there will be numerous practice exercises which will help you to work through the material covered in lectures and to prepare for the exams. A subset of these exercises are assigned as problem sets on a weekly basis. Problem sets are due every Monday by 5pm, and they will appear as an assignment on canvas, where you can also upload your scanned solutions. They will be lightly graded as “check” (handed in and gave solutions to at least 80% of the exercises), and “zero” (did not turn anything in, or more than 20% of the questions are missing). If you are unable to solve a problem, please describe why instead of just not answering the question. This way you will be able to secure a check on the assignment. We will drop your lowest 2 scores when compiling the score for the problem sets for the final grade.

Your performance in this class crucially depends on your constant practice. Attending class and working on the problem sets will significantly affect your level of success in this course. By campus policy, all the lectures will be recorded and posted on Canvas as soon as they become available. Discussion sessions on material presented during lectures and solutions to the problem sets will be held by our TA Minki Kim during the discussion sections.

Reflection Notes In addition to problem sets, there will be a short graded assignment every week that is meant to promote better reflection and learning of the materials and you will be expected to submit answers to the three questions below:

- (1) What were the most important 1-2 new things you learnt from the lecture and/or readings that you did not know before class? Describe one way in which what you learnt connects to either a different subject/topic you are interested in, or a personal experience.
- (2) What were 1-2 points discussed in lecture/readings that you are still confused/unclear about and would like some further clarification on?
- (3) How do you feel about your learning in this class overall?

Reflection notes are due every Monday by 5pm, and they will appear as an assignment on canvas, where you can type up brief answers every week and submit them.

Research on pedagogy shows that such reflection notes are highly effective at promoting learning and helps to make faculty and students accountable for what they have taught/learnt in each lecture. It is also a low-pressure form of assessment. They will be lightly graded as “check” (turned in), and “zero” (did not turn anything in). You should ideally submit these notes for all lectures, but we will drop your lowest 2 scores. The reflections make up 5% of your final grade, but they will help both you and me in making progress in this class.

Exam Policies

Proctoring Protocol We will likely use Zoom/LockDown Browser for proctoring this quarter. These programs use video and audio recording or other personal information capture for the purpose of facilitating the course and/or test environment. UC San Diego does not allow vendors to use this information for other purposes. Recordings will be deleted when no longer necessary. However, if cheating is suspected, the recording may become part of the student’s administrative disciplinary record. Finally, I reserve the right to give an oral test if I feel it is necessary to uphold academic integrity.

Missed examinations You must take the final exam in order to receive a grade in this course. The date is written above, please be sure to mark your calendar. If you miss a midterm exam without a university accepted excuse, then grading policy 2. (see above) applies automatically. If you miss both midterm exams without a university accepted excuse, then grading policy 2. will apply with a grade of zero (0) for the midterm. Excuses for missed exams must be pre-approved by me (except when this is not possible in an emergency situation). A student who misses an exam due to physical illness will be required to provide documentation from a health care professional indicating why the student was physically unable to take the exam. All documentation must be provided to Professor Trottnier within two working days of the end of the emergency.

If you miss a midterm with an accepted excuse, or there are technical issues in your

self-proctoring, I will offer an oral exam via zoom instead.

Academic Integrity

Students are expected to do their own work, as outlined in the UCSD policy on Academic Integrity. All students of UC San Diego are responsible for knowing and adhering to this institution's policy regarding academic integrity. Cheating, plagiarism, fabrication, lying, bribery, threatening behavior and assistance to acts of academic dishonesty are examples of behaviors that violate this policy. Ordinarily, a student engaged in any act of academic dishonesty will receive a failing grade for the course. In addition, all incidents of academic misconduct shall be reported to the Academic Integrity Office. Depending on its findings, students who are found to be in violation of the academic integrity policy will be subject to non-academic sanctions, including but not limited to university probation, suspension, or expulsion. The Academic Integrity Office can be contacted by email at aio@ucsd.edu or by telephone at 858-822-2163. Additional information regarding the University Academic Integrity policy is available at <https://academicintegrity.ucsd.edu/>.

University Policies and Resources

Conduct Code. To foster the best possible working and learning environment, UC San Diego strives to maintain a climate of fairness, cooperation, and professionalism. UC San Diego's Principles of Community illustrate the expectations of all members of our community. Consistent with such principles, the Student Conduct Code underscores the pride and the values that define UCSD's community, while providing students with a framework to guide their actions and behaviors. I recommend reviewing the Student Conduct Code to make sure you are familiar with the behavior that is expected from you in class and on campus in general.

Disability Accommodations. Campus policy regarding disabilities requires that faculty adhere to the recommendations of the Office for Students with Disabilities (OSD). Any student eligible for and needing academic adjustments or accommodations because of disability should submit to me a letter from OSD describing appropriate adjustments or accommodations and should arrange to meet with me as soon as possible so that arrangements can be made in a timely manner. University policies regarding disabilities are available at <http://disabilities.ucsd.edu/students/>. Appointments with OSD (phone or in-person) can be made by calling 858.534.4382 or by email at osd@ucsd.edu. More information can also be found here.

Religious Observance Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly accommodate all students who, because of religious obligations, have conflicts with scheduled examinations, assignments or required attendance. See full details of policies on examinations here. If you have scheduling conflict covered by this policy, please let me know as soon as possible so that we can reschedule the relevant assignment/examination.

Harassment Policy The University Policy on Discrimination and Harassment applies to all students, staff and faculty. Any student, staff member or faculty member who believes (s)he has been the subject of discrimination or harassment based on race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation, or political philosophy, should contact the Office for the Prevention of Harassment and Discrimination (OPHD) at (858) 534-8298, ophd@ucsd.edu, or reportbias.ucsd.edu

Data Privacy The University adheres to the standards for student privacy rights and requirements as stipulated in the Federal Rights and Privacy Act (FERPA) of 1974, see <http://ucsd.edu/catalog/front/ferpa.html>.

Counseling Managing the many challenges of being a college student can be very stressful. Always remember that talking to somebody that is professionally trained to help is just an email, or short walk, away: <https://caps.ucsd.edu/>.

Tentative class schedule

“Slides” = Lecture slides used during lectures.

“Notes” = Notes that I distribute on canvas under modules.

“Chapter” = The relevant chapters from the textbook.

Date	Topic	Materials
Lecture 1, Tue 01/05/21	Introduction to the Short-run	Slides, Notes, Chapter 9
Lecture 2, Thu 01/07/21	Short-run fluctuations: Facts	Slides, Notes, Chapter 9
Lecture 3, Tue 01/12/21	Financial Crises: The Great Recession	Slides, Notes, Chapter 10
Lecture 4, Thu 01/14/21	The IS-curve	Slides, Notes, Chapter 11
Lecture 5, Tue 01/19/21	Microfoundations of the IS-curve	Slides, Notes, Chapter 11
Lecture 6, Thu 01/21/21	IS-MP	Slides, Notes, Chapter 12
Lecture 7, Tue 01/26/21	Monetary policy in practice	Slides, Notes, Chapter 12
Lecture 8, Thu 01/28/21	Review and Practice for Midterm	
Tue 02/02/21, in class	First Midterm	Lectures 1 to 7
Lecture 9, Thu 02/04/21	Aggregate Supply	Slides, Notes, Chapter 13
Lecture 10, Tue 02/09/21	The AS-AD model	Slides, Notes, Chapter 13
Lecture 11, Thu 02/14/21	Using the AS-AD model	Slides, Notes, Chapter 13
Lecture 12, Tue 02/16/21	Countercyclical policy	Slides, Notes
Lecture 13, Thu 02/18/21	Review and Practice for Midterm	
Tue 02/23/21, in class	Second Midterm	Lectures 9 to 12
Lecture 14, Thu 02/25/21	Financial Crises in the SR model	Slides, Notes, Chapter 14
Lecture 15, Tue 03/02/21	The Open Economy	Slides, Notes, Chapter 20
Lecture 16, Thu 03/04/21	International Trade	Slides, Notes, Chapter 19
Lecture 17, Tue 03/09/21	The Trade Deficit	Slides, Notes, Chapter 19
Lecture 18, Thu 03/11/21	Conclusions and review	
Thu, 03/18/2021, 7-9 pm	Final Exam Section B	All
Tue, 03/16/2021, 7-9 pm	Final Exam Section C	All