

Syllabus

Econ 110B - Short-Run Macroeconomics

Fall 2022

Instructor

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Office Hours: Tuesdays, virtual from 4 - 5pm [here](#), in-person from 5 - 6pm in ECON308

Teaching Assistants

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Edoardo Briganti

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Instructional Assistants

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Q&A sessions: TBA

1 Overview of the Class

Over the last two centuries, US real GDP has grown 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, 2008, 2020) to 8 percent (in 1966 and 1984). These short-term “fluctuations” or “business cycles” are the subject of intense interest to the public, have impacted the livelihood of millions, influenced the outcome of elections, and captured the interest of the press and the academic community.

This class will study the causes and effects of short-run fluctuations and evaluate what policymakers can do about them. Short-run fluctuations in output lead to costly economic recessions during which unemployment rises, and economic activity falls substantially. The rate at which prices change on average, called inflation, impacts the affordability of goods and services in the economy and determines monetary policy decisions.

Understanding their causes and how to respond to recessions is a primary concern of policymakers in central banks and governments alike. Below are some of their questions

that we will seek to answer in this class:

1. How the economy behaves during recessions.
2. What changes in the economy cause recessions.
3. How policymakers can respond to recessions to stabilize economic activity.

While we will refer to data and real-world applications to motivate and guide our approach, the goal of this class is to provide you with a theoretical understanding of short-run fluctuations.

This syllabus covers all the 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.

2 Class logistics

Materials

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

The textbook is provided by the UC San Diego Bookstore through Canvas. If you took ECON 110A and opted into this title, you already have access (check your bookshelf at Redshelf). If you did not take ECON 110A and/or opted out, AND you need access, click the Redshelf link in Canvas to opt-in. If you decide to keep access after the first two weeks, your student account will be charged \$47.85. If you decide you do not want to keep the access, opt-out by 10/09/21 and your account will not be charged.

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.

Class attendance I will not make any in-class quizzes that count for your final grade or register attendance. However, everything I say during lectures is fair game for exams. Moreover, attending and participating in lectures and the discussions that emerge during them is a key aspect of your learning.

This class will be in-person. I will make lecture recordings available in case you cannot attend a particular session. Should the class room technology fail, I will not re-record lectures. Discussion sessions will not be recorded. Office hours will not be recorded.

Lectures

We meet in-person two times a week on Tuesdays and Thursdays from 09:30am to 10:50am for section A, and from 11:00am to 12:20pm for section B at PCYNH 122. Please try to attend the section for which you are registered. If you cannot attend your section time in any given week, you are welcome to attend the other section.

Instructor Office hours

I will hold in-person office hours on Tuesdays from 5pm to 6pm in ECON308. I will hold online office hours from 4pm to 5pm on Tuesdays in [this zoom meeting room](#).

Discussion Sections

The TAs for this class are Ali Uppal, Edoardo Briganti, Dongkeun Choi, and Michael Chua. They will be a fantastic resource for helping you work through the materials and concepts covered in this class. You can find their contact details at the beginning of the syllabus. They will hold weekly discussion sections and office hours in-person, the dates you can on this syllabus and on our Canvas calendar (please check regularly to see if there are any changes).

Exams

There will be one midterm (75 minutes, covering contents from lectures 1 to 9), and one final exam (2.5 hours, cumulative). Exams will be in person, and you must attend the exam in the section for which you are registered. Please mark your calendar as follows:

1. Tuesday, October 25th 2022: Midterm, during class time (09:30am for section A, 11:30am for section B), in PCYNH 122
2. Thursday, December 8th 2021 08:00am to 10:30am, Final exam for section B
3. Wednesday, December 7th 2022 11:30am to 02:00pm, Final exam for section A

I will make practice exams with solutions available during the week before each exam.

Grading

At the end of the quarter, each of you will receive a course mark, which averages your grades across all assignments applying the following weights:

1. 10%: Problem sets (each problem set receives a grade of check/zero)
2. 5%: Reflection notes (each is marked as check/zero)
3. 35%: Midterm
4. 50%: Final

To determine your letter grade, I will curve based on your course mark.

All the exams must be taken at the scheduled time and place. Students who arrive late will not receive extra time to complete their exam. Once a student completes the exam and leaves the exam room, no other student will be permitted to start the exam. No notes, books, study aids, calculators, cell phones or other personal electronic devices will be allowed during the exams.

Any re-grade consideration will be subject to two rules. First, a re-grade of one question will involve a re-grade of the entire exam, no exceptions. Second, you have to bring your request for a re-grade to me in writing, explaining carefully what you think the problem is. Final deadline for a re-grade request is 48 hours after the exams are handed back to you. I will be in charge of re-grading.

Problem Sets

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.

I will assign weekly problem sets which are due every Monday by 5pm. Problem sets will appear as an assignment on the course's Canvas page. Please upload your solutions through Canvas before the deadline.

Problem sets will consist of a subset of the exercises contained in the weekly handouts that I will distribute via Canvas. They will be graded as "check" (handed in and worked through at least 80% of the exercises), and "zero" (did not turn anything in, or more than 20% of the questions were not attempted). 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. To prepare for the exams, I highly recommend you work through all the exercises contained in the handouts.

Late submissions of problem sets will not be accepted, and will automatically result in a mark of 0 for the assignment. We will drop your lowest score when compiling the score for the problem sets for the final mark.

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

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?

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 score. The reflections make up 5% of your final grade, but they will help both you and me in monitoring your progress in this class.

As with problem sets, late submissions will not be accepted, and we will drop your lowest score for the reflection notes assignment when computing final grades.

Exam Policies

The midterm and final will be held as in-person exams. Barring any changes in the state of the pandemic or University-wide policies, there will be no option to take exams remotely.

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. Only in exceptional cases of illness or other problems, a student may be excused from an exam. 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 me within two working days of the end of the emergency. Failure to provide an accepted excuse will yield a grade of zero for the examination that you missed.

If you miss the midterm with an approved excuse, your grade will be computed adding the weight of the midterm to the final (i.e., the final will account for 85% of your grade). Failing to provide an accepted excuse for the mditerm will yield a grade of zero for the midterm. No make-up exams will be given for missed midterms.

If you miss the final, or the midterm and the final, with an approved excuse, I will conduct an oral examination that will replace the final exam, provided that we can arrange a time before grades are due.

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/>.

3 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 Your mental health is a priority, and 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/>.

4 Tentative class schedule

Date	Lecture	Topic	Materials/Content
Th, 09/22/22	1	Introduction	Slides, Notes, Chapter 9
Tu, 09/27/22	2	Recessions: Facts	Slides, Notes, Chapter 9, 10
Th, 09/29/22	3	The Great Recession	Slides, Notes, Chapter 10
Tu, 10/04/22	4	The IS curve	Slides, Notes, Chapter 11
Th, 10/06/22	5	Microfoundations	Slides, Notes, Chapter 11
Tu, 10/11/22	6	IS-MP	Slides, Notes, Chapter 12
Th, 10/13/22	7	Monetary policy in practice	Slides, Notes
Tu, 10/18/22	8	The Philipps Curve	Slides, Notes
Th, 10/20/22		Midterm Review	
Tu, 10/25/22		Midterm	Lectures 1 to 8
Th, 10/27/22	9	Aggregate Supply	Slides, Notes, Chapter 13
Tu, 11/01/22	10	AS-AD	Slides, Notes, Chapter 13
Th, 11/03/22	11	AS-AD	Slides, Notes, Chapter 13
Tu, 11/08/22	12	Countercyclical policy	Slides, Notes
Th, 11/10/22	13	Financial Crises	Slides, Notes, Chapter 14
Tu, 11/15/22	14	The Covid Recession	Slides
Th, 11/17/22	15	Exchange Rates	Slides, Notes, Chapter 19
Tu, 11/22/22	16	Exchange Rates Policy	Slides, Notes, Chapter 19
Th, 11/24/22		Thanksgiving holiday	
Tu, 11/29/22	17	International Trade	Slides, Notes, Chapter 20
Th, 12/01/22		Conclusions + Final Review	
We, 12/07, 11:30a-2:00p		Final Section B	All lectures
Th, 12/09, 08:00a-10:30a		Final Section A	All lectures