

## Syllabus for Economics 146: Economic Stabilization, Spring Quarter 2023

Instructor: Dr. Darrel Cohen      Email: [dscohen@ucsd.edu](mailto:dscohen@ucsd.edu)

---Class: Mondays and Wednesdays from 5 PM to 6:20 PM Center 113

*The lectures will be recorded or podcasted* and available for use by all students.

---Office Hours: Monday/Wednesday, 2:30PM to 4 PM, Economics Building 113

I love talking to students during office hours throughout the quarter and not just on the day of an exam, so please stop by in person as often as you like.

**Preamble:** My aim is to provide a high quality intellectual experience for students. I recognize that there may remain an unusual amount of stress, owing to the pandemic, and will do my best to mitigate it.

### Course Overview

This course presents facts and models of business cycles as well as the theory and practice of stabilization policy. The course will contain a balanced presentation of theory and empirical evidence. To help keep the material topical, we will discuss and model the financial crisis of 2008-2009 and the corona-virus pandemic of 2020 to the present. Each episode resulted in a dramatic business cycle recession and included zero interest rates and a great deal of innovative fiscal and monetary policy. My hope is that students will follow macroeconomic events (including the fallout from the closing of SVB bank) during the course and apply course material to better understand recent developments and/or to stimulate questions in class. It's always fun when a student raises a question in class about the "real world" and we spend some time discussing it.

### Reading

I rely primarily on extensive lecture notes posted on the course Canvas page; *this is the only required reading*. The textbook assigned for the Economics 110 sequence is helpful for parts of the course; the book is *Macroeconomics* by Charles Jones. Also very helpful is: the new 8th edition of *Macroeconomics* by Olivier Blanchard, (Pearson, Custom Publishing), or really any earlier edition. I strongly encourage students to read Chapter 2 of any edition which provides background material that I expect you to know. Also, parts of *Macroeconomics* by Andrew Abel, Ben Bernanke, and Dean Croushore (Pearson, Addison Wesley) are drawn on occasionally in the lecture notes.

### Useful Web sites

<http://www.federalreserve.gov/monetarypolicy/> this contains FOMC statements, etc.  
<http://www.nber.org/cycles/main.html> and <http://www.nber.org/cycles/recessions.html>  
these contain lots of useful and "official" information about business cycles

### Course Grade:

There will be **three** equally-weighted exams (including the "final" exam). The exams are "open book," meaning you can use any reference material (including my lecture notes,

textbooks, homework problems, etc.) but you **cannot** use the help of another person during the exam (which is cheating).

It is possible that class participation, extra credit (if assigned), etc. could help raise a borderline course grade; this has happened in my past courses, but only on rare occasions. Given this past history, it is a better use of your time to study the material than do extra credit if the goal is to improve your course grade..

I will provide exact dates for the midterms after I determine how quickly we are proceeding through the material.

There will be *ungraded* homework assignments, each with problems of varying degrees of difficulty; after students have had time working on the assignments, I will post answer keys. Working through the homework is **essential** to understanding the material and doing well on the exams. In addition, I will give detailed study hints to help you prepare for the exams.

### **Administrative Issues**

1. If you have a documented disability, please give me or the economics department your documentation, so we can work on your accommodations.
2. Academic dishonesty will not be tolerated. Students are expected to do their own work, as outlined in the UCSD Policy on Integrity of Scholarship. I reserve the right to give an oral exam to students suspected of cheating and to fail students found guilty of academic misconduct. For a review of UCSD policy, please see <http://www-senate.ucsd.edu/manual/appendices/app2.htm>. All suspected cases of academic dishonesty will be reported to the Academic Integrity Coordinator. Also, there is the "Associated Students Office of Student Advocacy," a free and private resource providing one-on-one Zoom advising to students accused of violating Student Conduct or Academic Integrity policies. Contact or make an appointment at <https://asadvocacy.ucsd.edu/>