

Econ 3 - Principles of Macroeconomics

University of California, San Diego

Quarter: Winter 2024

Syllabus - Jan 7, 2024

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Introduction

Hello and welcome to Econ 3 - Principles of Macroeconomics!

The syllabus outlines essential organizational details for the course. It serves as my agreement with you, and I am committed to adhering to its content. However, external events beyond our control may necessitate modifications. Although I do not anticipate this, unforeseen situations could arise, requiring adjustments to uphold the quality of your learning experience. Consequently, please regard the information in the syllabus as subject to revision. I am committed to keeping you promptly informed and involving you in the decision-making process should any adjustments become necessary. Your understanding and cooperation during such instances will contribute to maintaining the integrity of the learning environment.

Essential Competencies

Our goal in Econ 3 is to learn how the (macro)economy works. We will approach the subject as social scientists following the [scientific method](#): explore the data to ask questions, develop theories grounded in the behavior of the actors involved (households, workers, employers, banks, the government), and critically evaluate how good those theories are at answering our questions.

Econ 3 is designed to foster the development of five essential competencies in Economics:

1. ***Apply the scientific process to macroeconomic phenomena:*** students will be exposed to the process of asking an economic question, gather information, form an explanatory hypothesis, use data to evaluate hypothesis;
2. ***Analyze and evaluate behavior and outcomes using economic concepts and models:*** students will use economic concepts and models to explain and evaluate the behavior of individuals economic actors (firms, households), predict and evaluate economy-wide outcomes, and suggest government policies to affect those outcomes;
3. ***Use quantitative approaches to macroeconomics:*** students will develop the ability to work with mathematical formalizations of economic concepts and models in the form of graphs and simple equations;

4. *Think critically about economic methods and their applications:* students will be able to explain economic models as deliberate simplification of reality that economists create to think through complex, nondeterministic behaviors; identify the assumptions and limitations of each model and their potential impacts; select and connect economic models to real economic conditions;
5. *Communicate economic ideas in diverse collaborations:* students will acquire fluency in economic terminology and graphical tools, demonstrate knowledge of major economic institutions, and magnitude of common economic statistics, and discuss economic issues in ways that promote mutual understanding and inquiry.

When covering material throughout the quarter, I will highlight how the content relates to the five essential competencies listed above. Specific learning objectives - competencies intersected with content - will be identified in each lecture.

Lectures, Discussions, Supplemental Instruction

We meet in person two times a week on Tuesdays and Thursdays in MOS 0114 from 11:00 am to 12:20 pm for Section A00, and 12:30 pm to 1:50 pm for Section B00. The two lectures will be identical in content. Video podcast of the lectures will be recorded and recordings will be posted on Canvas. Our TA's will hold discussion sessions in CSB 002 on Tuesdays from 4 pm to 4:50 pm (A01) and 5 pm to 5:50 pm (A02) and on Thursdays from 7 pm to 7:50 pm (B01) and 8 pm to 8:50 pm (B02). Office hours times and location will be communicated in Week 1 and posted on our Canvas page. Finally, please check the Supplemental Instruction schedule available from Week 1 for additional tutoring support at the link <https://sites.google.com/ucsd.edu/ucsdsi/si-schedule>

Communication

For all questions on class material, clarifications on logistics etc. please use our [Piazza](#) discussion board. The TAs and I will monitor the board constantly and you will receive a quick response. For all other questions, please use the following email address:

econ3rondina@gmail.com

Please do not use my personal email address (grondina@ucsd.edu) for communication that relates to the class, unless it is a personal urgent matter. Finally, please do not use the Canvas messaging system to reach out to me. Due to my role as Vice Chair of Undergraduate Studies for Economics, I am listed in all the Canvas classes in Econ, and by default I receive message from all classes, so I am not able to keep track of messages sent on the Canvas messaging system.

Textbooks

We will use a variety of textbooks for the class. The main reference of the material presented in class will be the open access textbooks from the CORE Econ project, <https://www.core-econ.org/>. Links to the Units in the CORE textbooks are indicated in the [Class Schedule and Material](#) page on Canvas. In addition, the textbook you have used in Econ 1, *Principles of Economics*, by Frank, Bernanke, Antonovics, Heffetz will be used as a secondary source of the material. If you purchased the textbook for Econ 1, you should still have access to the textbook at no cost via BryteWave directly on Canvas. If you have not purchased the textbook before, the textbook will be available for two weeks and you decide to opt-out.

Technology Prerequisites

It is your responsibility to make sure you are enrolled in the online course (Canvas) by registering for the class formally through the university. I will not provide access to the Canvas course if you are not already enrolled or on the wait list to avoid complications with the course roster and to routinely check it and your email for announcements and to access newly distributed material. You must also make sure that your browser is compatible with the Canvas quiz assessment system. In the past, some students had browsers that did not display the math text. Any questions regarding Canvas issues or general technology issues should be directed to ITS@ucsd.edu. I also recommend installing the Canvas app on your smartphone.

Assessment

Research shows that frequent testing is the best way for students to assess whether they are learning at the appropriate level. The assessment design for the class is intended to help you work on the material regularly throughout the quarter and to give you frequent feedback on your level of understanding and mastering of the concepts and tools. Many of the assignments are low stakes, and in-class exams are designed to allow you to make up for earlier gaps in learning. However, constant and deliberate practice is essential for long-lasting learning to occur. It is important that you set aside time *every day* in the quarter to work on Econ 3. If you do so, all the assessment deadlines will fit naturally into your learning path and you will be able to excel in the class and keep test anxiety at a minimum.

Lecture Survey Questions (LSQ) - Each lecture you will be asked to answer a few questions on Canvas live in class. It is important that you bring your laptop to class to work on the questions, or, make sure you have the Canvas app installed on your smartphone. The questions are graded for completion, and their goal is to get us thinking about the topic we are about to cover, or provide feedback on a topic we just covered. The LSQs for a week's lectures remain available to fill out until the end of that week. You are required to complete 70% of the LSQ to receive a grade in the class.

Weekly Reflection Notes - Reflection notes are due at the end of each week and are meant to create a space for you to reflect on what you have learned and what you have worked on during the week. You will be asked how you feel about both the material covered in class and the questions in the practice homework. The best time to work on Reflection Notes is after you have concluded your intense study sessions and you have given some time to your brain to organize the new information. Reflection notes are graded for completion, but to answer them they require you to review your lecture notes, and to work on the posted practice problems. Which problems you work on is up to you. The more the better, of course, but you know best your learning needs and pace. You are required to complete 7 out of 10 of the Reflection Notes to receive a grade in the class.

Online Quizzes - There will be four online quizzes throughout the quarter. On the day of the quiz, there will be a window of 8 hours to take it, and once started, the quiz will last 60 minutes. Make sure that you have time to finish the quiz when started. Once an answer is submitted, you will not be able to go back and change it. You can use your notes and textbook to answer the questions in the quizzes, but you cannot ask for outside help (such as a classmate or a tutor). The goal of the quizzes is for you to practice on the type of questions you will encounter in the exams. Quizzes are graded, but their contribution to the final grade allows for making mistakes without being necessarily penalized.

Class Surveys: there will be at least two class surveys circulated in the quarter, a beginning of the quarter survey (which also counts for #FinAid), and a middle-quarter survey. Filling out the surveys will gain you bonus points that can be used to meet the point level requirements for online quizzes.

In-Person Exams: there will be two midterms and one cumulative final exam, all of them in-person. There will be two types of questions in the exams: *Gateway* and *Standard*.

Gateway questions are meant to test the basic knowledge required to pass the class. Midterm 1 will ask gateway questions on Modules 1 and 2, Midterm 2 will ask gateway questions on Modules 3 and 4. The final exam will contain gateway questions on the entire course material (Modules 1 to 6), so that if you did not reach the required response level in the midterms for Modules 1-2 and/or 3-4, you can make that up in the final exam. If you have already reached the required response level, the Gateway questions on Modules 1 to 4 in the final exam are optional. Answering correctly 75% of the Gateway questions in each exam (or in each module-group in the final exam) is required to pass the class.

Standard questions are meant to test the learning of the class material at three levels: Understanding (U), Execution (E), and Analysis (A). The three levels correspond to the steps in the Bloom taxonomy of learning, which we will discuss in Lecture 2. Your final grade will depend on the extent you meet the standards at the three levels.

Summary of Assessment Deadlines

- LSQs - available every lecture and can be submitted before each Sunday by 11:59 pm for that week's lectures
- Weekly Reflection Notes - available after Thursday's lecture, to be submitted before each Sunday by 11:59 pm.
- Online Quizzes - available from 4 pm to 11:59 pm on Mondays, 1/22/24, 2/5/24, 2/19/24, 3/4/24
- Midterm Exams - 1/29/24 and 2/21/24 out-of-class, from 7 pm to 9 pm (location TBD)
- Final Exam - 3/16/24 from 3 pm to 6 pm (location TBD)

Exams Policies

The asynchronous Canvas assessments (LSQs, Reflection Notes, and Quizzes) cannot be made up for any reason. No make-up in-person exams will be given. You must take the final exam in order to receive a grade in this course. The date is written above, be sure to mark your calendar. If you miss a midterm exam without a university accepted excuse, you will receive a score of zero (0) for the exam. Acceptable excuses for missed exams must be pre-approved by Professor Rondina (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 Rondina within two working days of the end of the emergency. Failure to comply with any of the above in the specified manner will result in a score of zero (0) for the exam. The instructor reserves the right to re-weight the composite grading structure to accommodate valid excused absences (i.e.: medical emergency, etc.). This could involve an

oral exam or alternate format. It is in the students' best interest to complete as many of the course assessments as possible.

Grading

Grades will reflect continuous effort and level of learning achieved by the end of the quarter. The completion of LSQs and Weekly Reflection Notes are necessary to receive a grade in the class. In-person exams are meant to evaluate achievement of learning standards according to the Bloom's taxonomy: Gateway (Basic Knowledge), Understanding (U), Execution (E), and Analysis (A). A passing grade in the class requires achievement of the Gateway standards in each in-person exam. The grade is then determined by achievement of the standards U, E, A in each exam. Standards, including Gateway, can be all attempted again in the final exam, provided the student has completed the midterm exams. The highest demonstrated achievement of the overlapping standards between the midterms and the final will be considered when determining the overall grade. Online quizzes are meant to simulate exam questions so you can practice in an exam-like setting, but with open book/notes, and low-medium stakes involved.

The table below reports the grading scale parameters. The parameters are to be considered *sufficient* to obtain the indicated grades. Adjustments - applied fairly across students - may be made so that some requirements might not be necessary. In other words, if adjustments are made, they will be in the direction of loosening the requirements reported in the table for a certain grade. The assignment of +'s and -'s will reflect partial achievement of the required learning standards. The grading scale is tentative and subject to change. I will do my best to clearly communicate any changes in a timely manner.

Grade Range	Exams - Gateway questions	Exams - Standard questions	Quizzes (4 with 30 pts each)	Weekly Reflection Notes	LSQ Participation
A	7/8 in each exam	90%U, 80%E, 60%A	One \geq 25pts, one \geq 20pts, total \geq 65	7 out of 10	70%
B	7/8 in each exam	70% U, 50%E	One \geq 20pts, one \geq 15pts, total \geq 55	7 out of 10	70%
C	7/8 in each exam	50% U, 20%E	One \geq 15pts, one \geq 10pts, total \geq 45	7 out of 10	70%
Pass	6/8 in each exam	for C-, 30%U	Two \geq 10pts, total \geq 35	7 out of 10	70%
	Gateway questions test the knowledge of terminology, basic concepts and facts.	Standard questions test understanding (U), execution (E), and analysis (A).	Total points needed for quizzes can be integrated with bonus points obtained for class surveys	Reflection notes are graded for completion	LSQ are graded for completion

Note: The grading structure of the class is designed to establish a direct connection between grades and demonstrated learning. The grading practice is informed by the most up-to-date pedagogical research, and the definition of what constitutes genuine learning is based on the most recent advances in brain and cognitive science. This being said, while in my 15 years of teaching I have strived for a meaningful connection between grades and learning in all my classes, the specific structure above is an innovation I am experimenting for the first time. I realize that it could be new to you as well, and you might have mixed feelings about it. I get it. Throughout the entire quarter, you will have many opportunities to let me know what you think, and I will be listening. I am committed to adjusting any of the above based on overall class feedback, in fairness to all the students, and with no negative consequences for anyone.

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 <https://osd.ucsd.edu/>. Appointments with OSD (phone or in-person) can be made by calling 858.534.4382 or by email at osd@ucsd.edu.

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](#) and [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 <https://ophd.ucsd.edu/report-bias/index.html>.

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 <https://catalog.ucsd.edu/about/policies/notification-of-rights/index.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 Schedule of Topics

A detailed schedule with links to textbooks and readings can be found on our Canvas page, under “[Class Schedule and Material](#)”

Week 1

Introduction, The Big Questions in Macroeconomics
Learning how to Learn; GDP - Value Added, Expenditure

Week 2

GDP - Income, Real GDP, Limits; Measuring Inflation
Average Labor Productivity, the Malthusian Trap, Specialization and Growth

Week 3

Modeling a Dynamic Economy: Technology, Innovation, Capital
Engines of Growth: Population, Ideas, Institutions, Policies

Midterm 1: Monday, January 29, 7 pm

Week 4

Measuring Labor; The Aggregate Model: Wage Setting Curve
The Aggregate Model: Price Setting Curve, Equilibrium Unemployment

Week 5

Using the Aggregate Model, Implications for Inequality
The Financial System: Income and Wealth; Borrowing

Week 6

Lending, Credit Markets, Real Interest Rate, Inequality
Money, Banks, Central Bank, and Interest Rates

Week 7

Financial Assets: Return, Risk, Financial Crises
Output Fluctuations, Recessions, Unemployment

Midterm 2: Wednesday, February 21, 7 pm

Week 8

The Multiplier Model, Fiscal Policy
Inflation, Output, and the Phillips Curve

Week 9

Inflation and Monetary Policy
Three Economic Epochs: Great Depression, Golden Age, Stagflation and Financial Crises

Week 10

Three Economic Epochs: Great Depression, Golden Age, Stagflation and Financial Crises
Review ahead of Final Exam

Final Exam: Saturday, March 16, 3 pm