

Principles of Macroeconomics (ECON 102)

William & Mary
Department of Economics

Spring, 2024

Instructor: Andra Hiriscau

Email: ahiriscau@wm.edu

Office Hours

T 10:00-11:30 am

W 5:00- 6:00 pm

Office Location:

Chancellor 228

Class time:

Section 02: T-Th 12:30- 1:50 pm

Section 01: T-Th 2:00- 3:20 pm

Classroom

Washington Hall 201

Washington Hall 201

Teaching Assistants

The teaching assistants for this course are Kseniya Rozhkova and Nikhil Rao. They are both majoring in Economics and are passionate about helping students understand the course's concepts. Their office hours are:

- Kseniya: Tuesday and Thursday from 3:30 pm - 5:00 pm in Chancellor 218.
- Nikhil: Monday and Tuesday from 7:15 pm - 8:45 pm in Chancellor 218.

Course Description and Purpose

Macroeconomics is a highly practical discipline that deals with principles that have a direct impact on every aspect of our lives. These principles affect employment opportunities, government welfare, the availability of goods and services, international relations, and even the price of food in shops. By studying this course, you will become better-informed citizens and will be able to follow debates over national economic policy reported in the news media. Additionally, this foundation course will prepare you for success in upper-division finance, marketing, business administration, economics, government, and social work courses.

Required Materials

- Betsy Stevenson and Justin Wolfers, [Principles of Macroeconomics with Achieve](#), Second Edition, 2023; ISBN:9781319434281)
- With the purchase of Achieve access, you will have access to the eTextbook, homework system, practice problems, and [iClicker App](#).

Registering for Achieve

To access Achieve and enroll in the course using your **William & Mary email address**, follow these steps:

1. Sign in to access [Achieve](#), and then choose the option *I need to enroll in a course*.
2. Use the following **Course ID: jmef6q**
3. Choose *Purchase Achieve Access* or *Start a Grace Period* (two weeks free trial)
4. For more information see the [Macmillan Frequently Asked Questions](#)

Registering for iClicker

Method I

1. Sign in to your Achieve account
2. Click on the yellow banner to connect to iClicker (should appear at the top of your Achieve course)
3. If you already have an iClicker account sign in, otherwise *Sign up* using your William & Mary email address
4. Download the [iClicker App](#) on your phone

Method II

1. Go to [join.iClicker.com](#) and use the following code:
Section 02. Class time T-Th 12:30- 1:500 pm **Code: KYXL**
Section 01. Class time T-Th 2:00- 3:20 pm **Code: USXO**
2. Connect your [iClicker Student Account with Achieve](#)
3. Download the [iClicker App](#) on your phone

Learning Outcomes and Objectives

By the end of this course, you will be able to:

1. Explain the gross domestic product (GDP).
2. Identify and analyze economic growth, and discuss how a government can affect economic growth and keep it sustainable.
3. Measure unemployment, understand why people become unemployed, and examine its economic and social costs.
4. Analyze the concepts of money and its functions, with an emphasis on inflation, including its costs, measurements, and computation.
5. Interpret the concepts of money and its functions, with an emphasis on inflation, including its costs, measurements, and computation.
6. Define the concepts of consumption, saving, and income, and explain their interactions. Discuss the importance of consumption smoothing.
7. Apply the concept of investment, integrating macroeconomic conditions and time into decision-making.
8. Evaluate the financial sector, including stocks, bonds, and financial assets valuation.
9. Analyze business cycles and understand the importance of the interest rate for the economy. Illustrate the IS-MP model to show economic fluctuations and predict the impact of monetary and fiscal policies.
10. Describe the causes of inflation and examine the Phillips curve.
11. Examine how Federal Reserve, and federal, state, and local governments can influence our economy, using monetary and fiscal policies.

Topics

1. Macroeconomic Foundations and the Long Run: GDP, economic growth, unemployment, inflation and money
2. Micro Foundation of Macroeconomics: consumption and saving, investment, the financial sector
3. The Business Cycle: tracking the business cycle, IS-MP analysis, Philips curve, and inflation
4. Macroeconomic Policy: monetary policy, government spending, taxes and fiscal policy

Course Structure

Grading Policy

Course Grade

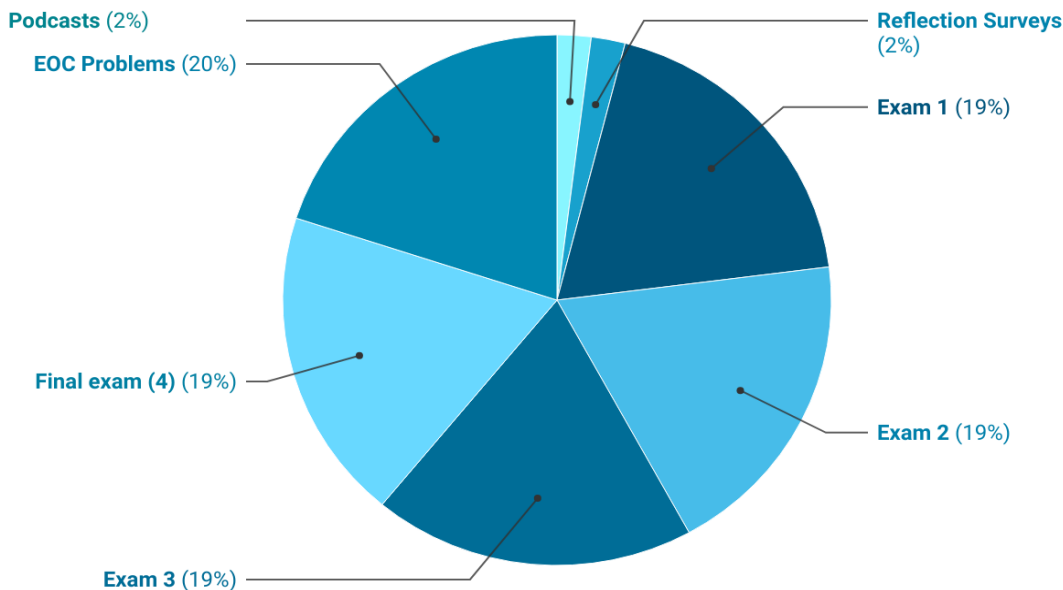


Chart: ECON 102 Spring 2024 • Created with Datawrapper

If you score higher on the final exam than you did on any midterm, I will use your final exam score to replace your lowest midterm exam score. This means that the lowest midterm grade will not be counted, and your final exam score will be considered twice in calculating your overall performance:

$$\text{Final Grade} = (\text{Achieve Grade} * 0.24) + (\text{Avg. of 3 highest exams grades} * 0.57) + (\text{Final exam} * 0.19)$$

Table 1: Sample Grading Scheme

Grade	Range	Grade	Range	Grade	Range
A	93%- 100%	B-	80%- 82.99%	D+	67%- 69.99%
A-	90%- 92.99%	C+	77%- 79.99%	D	63%- 66.99%
B+	87%- 89.99%	C	73%- 76.99%	D-	60%- 62.99%
B	83%- 86.99%	C-	70%- 72.99%	F	less than 59.99%

I reserve the right to adjust the grading scale for the class based on the overall performance of the students at the end of the semester. This may make it easier for some students to earn a higher letter grade. "Incomplete" will only be granted in exceptional circumstances and must be documented. Poor performance in the course is not considered a valid reason for receiving an "Incomplete". *Final grades will not be rounded.*

Schedule

Week	Date	Day	Chapter	Section
1	1/25/24	Thursday	Syllabus	Syllabus
Macroeconomic Foundations and the Long Run: Chapters 9-12				
2	1/30/24	Tuesday	Ch 9 Sizing up the economy using GDP	9.1 & 9.2 & 9.3
2	2/1/24	Thursday	Ch 9 Sizing up the economy using GDP	9.4 & 9.5
3	2/6/24	Tuesday	Ch 10 Economic Growth	10
3	2/8/24	Thursday	Ch 11 Unemployment	11.1 & 11.2
4	2/13/24	Tuesday	Ch 11 Unemployment	11.3 & 11.4
4	2/15/24	Thursday	Ch 12 Inflation and Money	12.1 & 12.2
5	2/20/24	Tuesday	Ch 12 Inflation and Money	12.3 & 12.4
5	2/22/24	Thursday	Midterm 1	
Microfoundation of Macroeconomics: Chapters 13-15				
6	2/27/24	Tuesday	Ch 13 Consumption and Saving	13.1 & 13.2 & 13.3
6	2/29/24	Thursday	Ch 13 Consumption and Saving	13.3 & 13.4 & 13.5
7	3/5/24	Tuesday	Ch 14 Investment	14.1 & 14.2 & 14.3
7	3/7/24	Thursday	Ch 14 Investment	14.4 & 14.5
8	3/12/24	Spring break		
8	3/14/24	Spring break		
9	3/19/24	Tuesday	Ch 15 The Financial Sector	15.1 & 15.2 & 15.3
9	3/21/24	Thursday	Ch 15 The Financial Sector	15.3 & 15.4 & 15.5
10	3/26/24	Tuesday	Midterm 2	
The Business Cycle: Chapters 17-19				
10	3/28/24	Thursday	Ch 17 Tracking the Business Cycle	17
11	4/2/24	Tuesday	Ch 18 Linking interest rates and output using IS-MP analysis	18.1 & 18.2 & 18.3
11	4/4/24	Thursday	Ch 18 Linking interest rates and output using IS-MP analysis	18.4 & 18.5
12	4/9/24	Tuesday	Ch 19 The Philips curve and inflation	19.1 & 19.2
12	4/11/24	Thursday	Ch 19 The Philips curve and inflation	19.3 & 19.4
13	4/16/24	Tuesday	Midterm 3	
Macroeconomic Policy: Chapters 22-23				
13	4/18/24	Thursday	Ch 20 The Fed Model: Putting the Pieces together	20
14	4/23/24	Tuesday	Ch 22 Monetary Policy	22.1 & 22.2
14	4/25/24	Thursday	Ch 22 Monetary Policy	22.3 & 22.4
15	4/30/24	Tuesday	Ch 23 Government spending, taxes and fiscal policy	23.1
15	5/2/24	Thursday	Ch 23 Government spending, taxes and fiscal policy	23.2 & 22.3
ECON 102 Section 02 (Class time: 12:30 -13:50)			Final exam: 05/07 9:00 am	
ECON 102 Section 01 (Class time: 14:00 -15:20)			Final Exam: 05/08 2:00 pm	

I will try my best to follow the course schedule as closely as possible. However, we may need to adjust the pace and coverage of material as we progress through the semester. The course schedule is meant to serve as a guide of what we aim to cover throughout the semester, but there may be some deviations from it.

Assignments on Achieve

There will be several practice assignments available on Achieve. While all of these assignments will be graded, **only those with a due date will be included in your course grade** (EOC Problems and Podcast Assignments). The assignments are due Mondays at 11:59 PM.

End of Chapter (EOC) Problems

- Homework assignments for this course will consist of 15-25 questions from each chapter. These assignments will be available on Achieve.
- Students have **THREE** attempts to complete each question on the homework assignment. Your highest score from these attempts will be recorded as your grade.
- Make sure to save and submit the assignment once you have completed it. The assignment will automatically close on the due date and time.
- Since the homework assignments are online; they are open-book and open-notes. However, a full understanding of the material will be needed to answer all the questions.

Podcast Assignments

- Students need to listen to a podcast (approximately 15 minutes long) and respond to 2-3 multiple-choice questions prior to starting a new chapter. Familiarizing yourself with the concepts will enhance your comprehension of the upcoming lectures.

Reflection Surveys

- Each survey is designed to get you to set goals for yourself and reflect on your learning throughout the semester. Each survey should take about 5-15 minutes to complete.

Optional assignments

- The scores on these assignments are not factored into your final grade. They will be accessible throughout the entire semester.
- *Learning Curve* applies the concept of "self-testing to learn" through quizzes. It creates personalized study plans tailored to address each student's knowledge gaps.
- *Problem Video Walkthrough* demonstrates the step-by-step solutions to the problems.
- *Practice Exams*

Exams

- There are four exams in total. You are required to take all the exams at the scheduled time. All exams are hard-copied exams taken in class.
- **Make-up exams:** Unless you have a university-approved schedule conflict, there will be no make-up exams. *If you miss a midterm exam, your final exam grade will be used to replace the missed exam grade.*
- If you have a university-approved schedule conflict (sports, conferences, competitions, etc), kindly inform me at least two weeks before the exam date. In such cases, the make-up exam should be completed before the originally scheduled date. In the event of a documented emergency causing you to miss a second exam, we will handle that situation on a case-by-case basis.
- Midterms schedule:
 - Exam 1, February 22nd
 - Exam 2, March 26th

– Exam 3, April 16th

- Exams will consist of multiple-choice questions. The midterms will cover questions from the previous chapters, with an emphasis on the latest chapters. Before each midterm, I will provide the number of questions from each chapter so that you can prepare more effectively. You can find the distribution of questions per chapter on Blackboard under the *Exams* tab.
- To review the questions you missed, access the *Exams* tab and then go to Gradescope.
- There will be no extra credit offered to any student. If and when extra credit is given, the entire class will have the opportunity to get it.
- If you have questions or concerns about your grade, please contact the instructor immediately. You should be proactive about your grades and not wait until the last minute.
- Final Exam schedule:
Section 02 9:00 am, May 7th, Washington Hall–Room:201
Section 01 2:00 pm, May 8th, Washington Hall–Room:201

Policies

Policies on Late Assignments

Late assignments will not be accepted. A student who fails to complete the homework before the due date will receive a grade of "0" for the respective assignment. Deadlines are strictly enforced and are detailed on Achieve and Blackboard.

To accommodate unforeseen circumstances, the course has been designed to take into account the possibility of missed assignments or poor performance on an assignment. Two key features have been incorporated into the course to support you in such situations:

- For each category of online assignments, the two lowest scores will be dropped. This means that if you miss two EOC problems and two Podcast Assignments, it will not negatively impact your overall grade.
- As previously mentioned, if you score higher on the final exam than on any of the previous exams, your final exam score will be used to replace your lowest exam score when calculating your final grade.

Emails

My email address is ahiriscau@wm.edu. Emails will be periodically checked Monday- Friday from 9:00 am – 5:00 pm. Please allow 24 business hours for a response. Emails will not be checked on the weekends.

Attendance Policy

Attendance is an important part of this course, and you are expected to attend class in person unless you have an emergency. I will take attendance using iClicker app. If you do miss a class, it is your responsibility to catch up on any missed material. You can do this by following the steps outlined in the *Tips to being successful in this course* section, as well as by asking your classmates for any updates or information that was communicated in class. If you miss more than one week of classes, you must communicate with me to ensure that you can stay on track in the course.

Technology Policy

I have a strict NO laptop policy in this class. The goal of this policy is to promote long-term retention of the material we are covering. Research has shown that taking notes with paper and pencil (or tablet) can be more effective for learning and retention than taking notes on a computer. I encourage you to review the research below to learn more about the benefits of handwritten note-taking.

- [Attention, Students: Put Your Laptops Away](#) NPR Article.
- [The impact of computer usage on academic performance: Evidence from a randomized trial at the United States Military Academy](#), S. Carter, K. Greenberg, and M. Walker
- If you have a compelling reason why you need to access a laptop during class, you must discuss this with me in advance.

Academic Integrity and Honesty

Students are required to comply with the William & Mary College policy on academic integrity found in the [The Honor Code](#). Cheating in exams, homework or any other assignment will not be tolerated. Students found cheating on an exam will be given a score of "0" and will not be replaced with the final exam grade. In addition, they will be reported to the relevant authorities of the university.

The pledge: "As a member of the William & Mary community, I pledge on my honor not to lie, cheat, or steal, either in my academic or personal life. I understand that such acts violate the Honor Code and undermine the community of trust, of which we are all stewards."

This Course was Designed with You in Mind ¹

Tips to being successful in this course

- Skimming the chapter before class is recommended to understand the material.
- Take notes in class. Note-taking helps you process, organize, and retain information.
- Reading the textbook after class is essential to clarify new concepts.
- *Before starting the EOC problems, you should finish the Learning Curve.*
- *Take the time to review your midterms and collaborate with your classmates to clarify any unclear questions.*
- Engage with the textbook sections "Do the Economics" and "Chapter at a Glance" for a deeper understanding of the material.
- Vary the type of material studied in a single session. Improve your comprehension of challenging material by seeing it applied and presented in multiple ways.
- Space study time. Improve your comprehension of material by letting it sink in between multiple encounters.
- Practice drawing diagrams and writing equations. Do not just memorize images. Practice drawing them on your own while reading the textbook. Use diagrams and equations to think through new problems.
- Practice explaining economic concepts and logic. Talk about what you are learning to classmates, roommates, and family.
- Book free tutoring sessions at [Tutor Zone](#)

¹This section was adapted from Bayer, Amanda, 2021. American Economic Association Committee on the Status of Minority Groups in the Economics Profession. [Diversifying Economic Quality](#)

This class's community is inclusive

Students in this class represent a wide variety of backgrounds and perspectives. I am committed to providing an atmosphere for learning that respects diversity and creates inclusive environments in our course. While working together to build this community, I ask you to:

- Understand that we are bound to make mistakes in this space, as anyone does when approaching complex tasks or learning new skills. Strive to see your mistakes and others as valuable elements of the learning process.
- Understand that your words have effects on others. Speak with care. If you learn that something you have said was experienced as disrespectful or marginalizing, listen carefully and try to understand that perspective. Learn how you can do better in the future.
- It is important to take pair work or small group work seriously, as your peers' learning is dependent on your engagement. By actively participating and collaborating with others, you can contribute to a more positive and effective learning experience for everyone.
- It is crucial to recognize that others may have different experiences and perspectives than your own. When participating in discussions, try to be mindful of assumptions and generalizations that you make based solely on your own experiences. Instead, approach discussions with an open mind and be willing to listen and learn from the perspectives of others. By being open to hearing and considering different viewpoints, you can expand your understanding and deepen your learning.

This course is accessible to students with disabilities

William & Mary accommodates students with disabilities following federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see [Student Accessibility Services](#).

- Exams must be scheduled at the [SAS center](#) AT LEAST ONE WEEK IN ADVANCE. Students are responsible for ensuring that they have made a reservation for the exam at the appropriate time (class time or before) and day.

Mental and Physical Well-Being

William & Mary recognizes that students juggle different responsibilities and can face challenges that make learning difficult. Many resources are available at W&M to help students navigate emotional/psychological, physical/medical, and material/accessibility concerns. Asking for help is a sign of courage and strength. If you or someone you know is experiencing any of these challenges, we encourage you to reach out to the following offices:

- For psychological/emotional stress, please consider reaching out to the [WM Counseling Center](#); or (757) 221-3620, 240 Gooch Dr., 2nd floor. Services are free and confidential.
- For physical/medical concerns, please consider reaching out to the [WM Health Center](#); or (757) 221-4386, 240 Gooch Drive.
- For additional support or resources, please contact the [Dean of Students](#) by submitting a Care Report at; or by calling 757-221-2510, or by emailing deanofstudents@wm.edu.
- For a list of many other resources available to students, see [Health and Wellness Resources for Students](#)

As your professor, I am here to support you both inside and outside the classroom. If you are facing challenges that are impacting your learning or overall well-being, please don't hesitate to reach out to me. I will do my best to guide you to appropriate resources on campus that can help you overcome these challenges. Remember that seeking help is a sign of strength, and it is always better to address any issues as early as possible.

Sources of Additional Information

- I will send weekly announcements of media and activities tailored to what I am teaching, or Economics in general.
- You can get complete access to online content of major news publications provided by W&M Libraries ([Chronicle of Higher Education](#), [The Economist](#), [New York Times](#), [Wall Street Journal](#), [Washington Post](#)).

Interested in a career in economics or graduate school?

It is never too early to start thinking about what to do after college. An undergraduate degree in economics offers many opportunities. Below are a few websites from the American Economic Association that provide great information about careers and graduate school.

- [American Economic Association student resources](#)
- [American Economic Association graduate school information](#)
- [Majoring or minoring in Economics at William & Mary](#)
- [Course Syllabi Archive for Economics Courses](#)

Important Dates

Feel free to refer to [Academic Calendar](#) for a more comprehensive overview.

Add/drop deadline	February 2
Midterm grading period	March 4 – March 24
Spring Break	March 9 - 17
Withdrawal deadline	March 25
Advising period	March 4 - 29