

Course Last Updated 02/02/2024



Principles of Macroeconomics

Section I: Course Overview

Course Code: ECN202BCN

Subject Area(s): Economics

Prerequisites: Basic algebra and graph comprehension

Language of Instruction: English

Total Contact Hours: 45

Credits: 3

Course Fees: None

Course Description

This course introduces the study of economics at a national or international level to develop a basic understanding of major economic events that shape the world around us, such as the impact of the Covid-19 pandemic on national economies and the world. The course explores the origins of recent crises and their effect on the global economy, with significant effects on foreign trade, employment, production, and asset prices. Students will evaluate the implications of macroeconomic developments and recovery policies put in place by policymakers as they relate to the goods, money, and labor markets. Through a macroeconomic lens, students will consider timely trends and issues such as the wealth gap, planned obsolescence, globalizations, inflation, and economic sustainability.

Learning Objectives

Upon successful completion of this course, students are able to:

- Explain diverse perspectives on timely economic trends and issues.
- Apply basic economic and financial principles to inform personal and professional judgments.
- Analyze data to identify economic problems and potential solutions.

- Describe emerging trends as they relate to market functions.

Section II: Instructor & Course Details

Instructor Details

Name: TBC

Contact Information: TBC

Term: TBC

Course Day and Time: TBC

Office Hours: By Appointment

Grading & Assessment

The instructor assesses students' mastery of course learning objectives by using the forms of assessment below. Each of these assessments is weighted toward the final grade. The Assessment Overview section provides further details for each.

Engagement - 20%

Project 1 Teamwork – 10%

Project 2 Teamwork – 10%

Project 3 Individual – 10%

Field studies and Guest speakers – 20%

Midterm Exam – 15%

Final Exam – 15%

Assessment Overview

This section provides a brief description of each form of assessment listed above. Forms of assessment may be slightly modified in the term syllabus.

Engagement (20%): Students are expected to be engaged in class, to have read the CEA CAPA Engagement Policy, and to understand the [Class Engagement Rubric](#) that outlines how engagement is graded.

Project 1 Teamwork “Debate” (10%): This teamwork activity is based on what we cover in Sessions One through Three. It consists in researching and analyzing a controversial topic based on a stance (the topic and the stance will be assigned by your professor) prior to class, then preparing arguments, facts and data to support your position, and finally performing the debate in class against another team that represents the opposing stance on the issue. There will be 3-4 debates each on a different topic, performed in class one after another, on contemporary and relevant world issues such as circular economy, fair trade, planned obsolescence, brain drain, international trade, and economic sustainability. Debating teams need to research materials / information / resources

relevant to the debate topic, synthesize and analyze their researched materials for building up their arguments and demonstrate their ability and critical attitude to integrate knowledge into the discussion of the debate topic. Students who are not in the debate teams will be asked to chart the debate's progress, take notes of the main points, and compare the strength of arguments and rebuttals. The observing students will need to assess the performance of the students during the debate, provide feedback and tell which team was more convincing. This project is due by the start of Session Four.

Project 2 Teamwork “Investor alert” (10%): This activity is based on what we cover in Session Five. The purpose of this activity is to apply basic economic and financial principles to your daily decision-making, personally and professionally. It will help you spot investment opportunities and beware of financial scams. Each team will be assigned a different topic. First, work in a team and research one of the following topics related to the financial system: Ponzi scheme, high frequency trading, insider trading, reasons for stock market crashed, bubbles, and panics, behavioral finance, dividend policy decisions, green finance, green bond market, and ethical banks. Prepare a class activity for your classmates on the assigned topic (a PowerPoint presentation or an infographic), acting as if you were their financial adviser warning them about a potential red flag that their invested funds are at risk or pointing them towards a new investment opportunity. At the end, prepare a short Kahoot quiz with 3 multiple-choice questions on your topic to verify whether your classmates learned from your project. Factors that will be taken into account in the project evaluation: Your understanding of the topic, the informative content and your ability to share it effectively with the audience. Due Session Six.

Project 3 Individual “Macroeconomic analysis report” (10%): This report is based on everything we have covered over the entirety of the course, so start thinking about it right from the start! We will discuss it during class on an ongoing basis. The aim of the project is for you to apply economic concepts acquired in class to provide an insight into the functioning of an economy in the markets for goods and services, in the financial markets and in the labor market. Select a country or a region and find data on the fundamental variables that affect this economy, such as, sustainable growth of the economy and respect for the environment (circular economy, smart cities), inflation and deflation, employment and unemployment, public finances and external balance, as well as the analysis of economic policies, fiscal policy and monetary policy. Read the news about the economy of the country of your choice and try to spot new economic trends or issues, a potential market failure, analyze the current policy prescriptions and intend to develop your own practical policy solutions to those problems. This project is intended to provide a structured opportunity for you to connect concepts covered in the classroom and apply them in the real world. The requirements of this written assignment are as follows: two pages minimum, three maximum (excluding the appendix with data charts), typed double-spaced, due by the start of the class during Session 15.

Field studies and guest speakers (20%): Field visits to relevant course-related sites and institutions in the host city, such as the Barcelona Stock Exchange. Each student should email an individual paper in two pages word format double space within the next 7 days. News challenges from three invited guest speakers will consist in reading news articles related to the field of expertise of each guest speaker (circular economy, FinTech and new trends in the labor market) prior to class and then performing a short in-class critical analysis of the article to interact with the guest speaker. This activity is aimed at helping you get familiar and up to date with current economic developments and to be able to consume media in a critical way. Due for the relevant sessions with invited guest speakers / field trip.

Midterm & Final Exams (30%): The exams are designed to establish and communicate to you the progress you are making towards meeting the course learning objectives listed in the syllabus above, which test your abilities in three important areas of competency: the amount of information you

master; the accuracy of the information you present; and the significance you ascribe to the facts and ideas you have integrated across your study in this course. The exams are intended to assess your comprehension of the core concepts from the course, and will draw on lectures, assigned readings, debates, projects and classroom discussions. Structure of the midterm exam: A combination of multiple-choice questions and short-answer questions. Structure of the final exam: A combination of multiple-choice questions (50%) and a case study (50%) with 3 questions. Tests are not cumulative. The written midterm exam will cover the first seven weeks of the semester while the final exam will only cover material presented and discussed in the second half of the course. Prior to both examinations, a comprehensive review will be given during class.

Active Learning

Experiential learning is an essential component of education abroad, and participation in field studies is a required part of coursework. In this course, students explore the city in which they are studying using a variety of methods. This provides the opportunity to gain nuance and perspective on the host context and course content, as well as to collect information and resources for assigned papers, projects, and presentations.

- Visit to local commerce center

Readings and Resources

The below readings and resources are representative of what will be assigned as required in this course, but may vary slightly in the term syllabus.

All students are given access to the online library of the University of New Haven (UNH), accessible [here](#), and are expected to comply with [UNH Policies](#) regarding library usage.

Wherever possible, required readings are made accessible through the online library or Canvas. Students are responsible for obtaining all required readings.

Each course utilizes Canvas as its LMS. Students are expected to check Canvas regularly for updates and deadlines. Canvas is also the primary platform for contacting your instructor in case of questions or concerns about the course.

Required

Mankiw, N. Gregory. (2017). Principles of Macroeconomics, 8th edition. 576 pp.

Students are expected to read the relevant chapters in the text before we cover the corresponding material in class, and review afterward in conjunction with their class notes.

Required Cases (from the textbook):

- Case 1: Adam Smith would have loved Uber, pp. 11
- Case 2: Price increases after disasters, pp.84
- Case 3: Who pays the luxury tax, pp. 126
- Case 4: Gauging the High-Tech Economy, p. 202
- Case 5: International differences in GDP and the quality of life, pp. 206
- Case 6: Are natural resources a limit to growth? pp. 240
- Case 7. Money and prices during four hyperinflations, pp. 352
- Case 8. Regional differences in the cost of living, pp. 221
- Case 9: Trade between China and the United States, p. 58

- Case 10: The hamburger standard, pp. 387
- Case 11. Why the fed watches the stock market (and vice versa), p. 461

Required Videos (available on YouTube):

- “Stealing Africa”
- “China – new superpower”, “New era of Chinese colonialism in Africa”
- “The crisis of credit”
- “Money as debt”
- “Price stability” (ECB)

Required Videos (available on Netflix):

- “Money explained”
- “Where to Invade Next”
- “The inside job”

Recommended

Subscription to *The Economist*:

The Economist is one of the best magazines which provide intellectually sound and relatively unbiased accounts of contemporary economic issues. You are highly encouraged to subscribe to the print or digital versions.

Newspapers: The following are widely considered as the top ten newspapers in the U.S in terms of the quality of the reporting and the extent of the circulation. There is no need to subscribe to them, as you can find them online or freely available at your local public or campus libraries:

- The New York Times (New York)
- Daily News (New York, New York)
- Washington Post (Washington DC)
- New York Post (New York)
- Los Angeles Times (California, Los Angeles)
- USA Today (National, Arlington, Virginia)
- Chicago Tribune (Illinois)
- Boston Herald (Massachusetts)
- St Louis Post-Dispatch (Missouri, Saint Louis)
- Wall Street Journal (New York, New York)

Additional resources that will enhance your learning experience include the following:

- [EconTalk podcast](#). This weekly podcast – active since 2006 – is strongly recommended for its interviews with notable economists, authors, and entrepreneurs, and for its skeptical inquiry into issues in modern economics and policy.
- [Freakonomics](#): This book is a collection of articles using unorthodox ways, not usually found in traditional economics textbooks, to explain economic concepts that are sometimes difficult to grasp.
<http://freakonomics.blogs.nytimes.com>: by Steve Levitt and Stephen Dubner.

- [Khan Academy: Macroeconomics](#). Khan Academy offers practice exercises, instructional videos, and a personalized learning dashboard that enables learners to study almost any subject at their own pace. Many of the presentations in Khan Academy are well organized and can provide a great basic understanding of the concepts covered in this course.
- [Investopedia](#): This resource offers a comprehensive financial dictionary online and provides educational content and tools to help educate the individual investor. It will provide a basic understanding of many of the economic and finance terms used in the text.
- [Greg Mankiw's Blog](#); By Greg Mankiw

Course Calendar

Session 1	
Topics	<p>Course Introduction: Review Syllabus, Classroom Policies</p> <p>Introduction to Macroeconomics: How people interact in an economy Thinking like an economist (as a scientist and as a policy adviser) Supply, Demand, and Government Policies</p>
Activity	<p>Course Overview</p> <p>Lecture & Discussion</p>
Readings & Assignments	<p>Reading: Mankiw, chapters 1-2, pp. 3-16,19-34 Mankiw, chapters 4 & 6, pp. 65-86, 111-122</p> <p>Assignments: Case 1: Adam Smith would have loved Uber, pp. 11 Case 2: Price increases after disasters, pp.84 Case 3: Who pays the luxury tax, pp. 126</p>

Session 2	
Topics	<p>Measuring a Nation's Income: The measurement of GDP Black market vs. grey market Alternative measures of well-being Quality of life</p> <p>Economic Growth Economic growth around the world Determinants of productivity</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary films (trailers): “Before the flood” “An inconvenient truth” “A plastic ocean”</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 10, pp. 189-208</p>

	<p>Mankiw, chapter 12, pp. 231-240</p> <p>Assignments: Case 4: Gauging the High-Tech Economy, p. 202 Case 5: International differences in GDP and the quality of life, pp. 206 Case 6: Are natural resources a limit to growth? pp. 240</p>
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Session 3	
Topics	<p>Economic Growth and Public Policy Saving and investment Diminishing returns and the catch-up effect Property rights and political stability Free trade / Protectionism Research and development Investment from abroad Health and nutrition Population growth Education</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary films: “Stealing Africa” “China – new superpower” “New era of Chinese colonialism in Africa”</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 12, pp. 241-255</p> <p>Assignments: Watch a documentary movie to discuss in class (available on YouTube)</p>

Session 4	
Topics	<p>Public Policy Debates</p> <p>Guest Speaker 1: Sustainable growth Circular economy, Planned obsolescence</p>
Activity	<p>In-class activities: Macroeconomic Debates (Project 1)</p> <p>News challenge with Guest Speaker</p>
Readings & Assignments	<p>Assignments: Come to class with prepared arguments and elaborated strategies for debate (see Project 1)</p> <p>Analyze related news articles prior to class Prepare questions for the Guest Speaker</p>

Session 5	
Topics	<p>Financial markets Stock market, bond market, risk and return, rate of return, market capitalization, dividend yield</p> <p>Financial intermediaries Banks, mutual funds, hedge funds Financial crisis of 2008</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary film: “The crisis of credit” “The inside job”</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 13, pp. 258-260 Mankiw, chapter 13, pp. 260-262</p> <p>Assignments: Watch “The inside job” movie after class and get ready to comment on it in the next class</p>

Session 6	
Topics	<p>The market for loanable funds Saving and investment in the national income accounts Supply and demand for loanable funds Saving incentives, Investment incentives Government budget deficits and surpluses</p> <p>Group Project 2: Financial System High frequency trading, insider trading, Ponzi scheme, behavioral finance, reasons for stock market crashes, bubbles, and panics, dividend policy decisions, green finance, green bond market, ethical banks, ESG investing</p>
Activity	<p>Lecture & Discussion</p> <p>Projects presentations Class activities</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 13, pp. 265-275</p> <p>Assignments: Internet based research (see Project 2)</p>

Session 7	
Topics	Field Study 1:

	<p>The Barcelona Stock exchange</p> <p>Guest Speaker 2: FinTech FinTech revolution Blockchain, NFTs, smart contracts Cryptocurrencies</p>
Activity	<p>Guided tour visit of the stock exchange</p> <p>News challenge with Guest Speaker</p>
Readings & Assignments	<p>Assignments: Take notes at the field tour</p> <p>Analyze related news articles prior to class Prepare questions for the Guest Speaker</p>

Session 8	
Topics	Review for the Midterm Exam
Activity	Review
Readings & Assignments	<p>Reading: Review all readings.</p> <p>Assignments: Review all notes and assignments.</p> <p>Midterm Exam</p>

Session 9	
Topics	<p>The Monetary System The functions of money The kinds of money The central bank and its role The federal reserve system Banks and the money supply The Fed's tools of monetary control</p> <p>Money growth and inflation Inflation, hyperinflation, deflation The classical theory of inflation The costs of inflation</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary film "Money as debt" "Price stability" (ECB)</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 16, pp. 319-340</p>

	<p>Mankiw chapter 17, pp. 343-365</p> <p>Assignments: Case 7. Money and prices during four hyperinflations, pp. 352 Watch “Money as debt” (available on YouTube)</p>
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Session 10	
Topics	<p>Measuring the cost of living The consumer price index Correcting economic variables for the effects of inflation (dollar figures from different times, indexation, real and nominal interest rates)</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary film “Money explained” (Netflix)</p>
Readings & Assignments	<p>Reading: Mankiw chapter 11, pp. 211-226</p> <p>Assignments: Case 8. Regional differences in the cost of living, pp. 221 Watch “Money explained” (available on Netflix)</p>

Session 11	
Topics	<p>Unemployment The rate of unemployment Labor force participation rate Unemployment insurance Job search, minimum wage Labor unions, collective bargaining, strikes</p> <p>Labor market: working conditions Layoff procedures (notice period), number of public holidays, paid holidays per worker, working hours per week, length of maternity leave, days of training offered to employees, workplace stress and burnout, accidents at work, private insurance offered to workers, retirement age, employee turnover rate, average and minimum wages, wage gaps between genders, unemployment benefits</p> <p>Guest Speaker 3: Labor market trends Remote work, flexible hours, gig economy, the Great Resignation in 2021</p>
Activity	<p>Lecture & Discussion</p> <p>Documentary film: “Where to Invade Next”</p>

	News challenge with Guest Speaker
Readings & Assignments	<p>Reading: Mankiw, chapter 15, pp. 293-313</p> <p>Assignments: Analyze related news articles prior to class Prepare questions for the Guest Speaker</p>

Session 12	
Topics	<p>Interdependence and the gains from trade Specialization, comparative advantage, fair trade, outsourcing, globalization</p> <p>Open-economy macroeconomics Trade balances, purchasing-power parity, real and nominal exchange rates</p>
Activity	<p>Lecture & Discussion</p> <p>In class activity: Debate on globalization, Globalization from below</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 3, pp. 47-59 Mankiw, chapter 18, 369-389</p> <p>Assignments: Case 9: Trade between China and the United States, p. 58 Case 10: The hamburger standard, pp. 387</p>

Session 13	
Topics	<p>Aggregate demand and aggregate supply Short-run economic fluctuations The aggregate-demand curve The aggregate-supply curve Causes of economic fluctuations</p> <p>The influence of monetary and fiscal policy on aggregate demand Using policy to stabilize the economy</p>
Activity	Lecture & Discussion
Readings & Assignments	<p>Reading: Mankiw, chapter 20, pp. 417-450 Mankiw, chapter 21, pp. 453-475</p> <p>Assignments: Case 11. Why the fed watches the stock market (and vice versa), p. 461</p>

Session 14	
Topics	<p>The short-run trade-off between inflation and unemployment The Philips curve The role of expectations</p>

	<p>The role of supply shocks The cost of reducing inflation</p> <p>Debates over macroeconomic policy Should monetary and fiscal policymakers try to stabilize the economy? Should the government fight recessions with spending hikes rather than tax cuts? Should monetary policy be made by rule rather than by discretion? Should the central bank aim for zero inflation? Should the government balance the budget? Should the tax laws be reformed to encourage saving?</p>
Activity	<p>Lecture & Discussion</p> <p>In class activity: Debates on macroeconomic policies</p>
Readings & Assignments	<p>Reading: Mankiw, chapter 22, pp. 479-500) Mankiw, chapter 23, pp. 505-524</p>

Session 15	
Topics	Review for the Final Exam
Activity	Bring questions for our in-class review
Readings & Assignments	<p>Reading: Review all readings.</p> <p>Assignments: Review all notes and assignments. Submit Project 3</p> <p>Final Exam</p>

Section III: Academic Policies and Standards

Academic Policies

Students are expected to review and understand all CEA CAPA student policies, including our [Academic Policies](#) and [Engagement Policy](#). CEA CAPA reserves the right to change, update, revise, or amend existing policies and/or procedures at any time. Additional requirements that may be associated with a specific course or program are addressed in the term syllabus.

Student Learning & Development Objectives

CEA CAPA has identified [Student Learning and Development Objectives \(SLDOs\)](#) for all programs in all locations: content in context, navigating differences, power and equity, critical thinking and intellectual curiosity, career and professional development, and sustainability and migration. These are meta-level learning objectives that transcend coursework and are infused across all elements of program delivery, beyond specifics of course offerings, addressing student learning holistically and framing it a larger learning context.