

Spring 2018

ECO 166 Introduction to Macroeconomics

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**CITY UNIVERSITY OF NEW YORK
LEHMAN COLLEGE
SCHOOL OF NATURAL AND SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS AND BUSINESS**

ECO 166 – D301 INTRODUCTION TO MACROECONOMICS, SPRING 2018.

COURSE SYLLABUS

INSTRUCTOR INFORMATION

INSTRUCTOR: Alexander Núñez-Torres, Ph.D.
POSITION: Assistant Professor
OFFICE: Carman Hall, Room 368
OFFICE HOURS: Tuesday and Thursday: 4PM to 5PM, by appointment
PHONE: 718-960-8296
EMAIL: Alexander.nuneztorres@lehman.cuny.edu

COURSE INFORMATION

COURSE NUMBER - SECTION: ECO 166 - D301
TITLE: Introduction to Macroeconomics
CREDITS UNITS: Three Units
CAREER: Undergraduate

COURSE ARRANGEMENT:

Tuesday and Thursday: 12:30 PM to 1:45 PM
Carman Hall, Room 335

COURSE DESCRIPTION:

National income components and their measurement, unemployment rate, and price levels. Determinants of aggregate demand and output. Effects of government spending, taxation, and monetary policy on national income, employment, and the rate of inflation.

NOTE: Students may not receive credit for both ECO 166 and BBA 168.



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COURSE TOPICS:

1- Welcome to economics

In this lecture we are going to review the key reasons to study economics. We are going to establish the differences between micro and macroeconomics and the method of economics and economic policies. Then we are going to discuss how theories and models are used.

2- Choice in a world of scarcity

In this short lecture, after understanding the concept of macroeconomics, and establishing its distinctions with microeconomics, we are going to discuss scarcity, choice, opportunity costs and the economic problem. Furthermore, we are going to introduce the role of the government in the macroeconomic environment.

3- Demand, Supply and the Market Equilibrium

After the introduction to economics and the scarcity problem we are going to study the roles of firms, entrepreneurs and households in the market and the circular flow. Moreover, we are going to discuss the demand and supply in product/output markets and market equilibrium. Finally, we will define the concept of efficiency in a market equilibrium.

4- The Macroeconomic Perspective I

After we know about supply, demand, market equilibrium, and we grasp the concepts of scarcity and choice, we are going to discuss the determinants of total national output, the macroeconomic concerns and the role of the government in the economy. We are going to conclude with a brief history of macroeconomics for the United States.

5- The Macroeconomic Perspective II

The Gross Domestic Product (GDP) is one of the most widely used measures of an economy's output or production. GDP is the total value of all final goods and services produced by a country within a given period. We are going to learn how to calculate GDP by both the expenditure and income approach in a given period. Then, we are going to discuss and understand the concepts of Nominal and Real GDP. Finally, we are going to talk about the limitations of the GDP concept and the differences between nominal versus real GDP.

6- Unemployment, Inflation and Long-run Growth

Unemployment, inflation and long-run growth are three key variables to measure economic well-being. In our path of learning to assess the health of the economy we are going to study the concepts regarding employment and inflation, their components, and how to measure them in a given period. Finally, we are going to discuss the social and economic costs of unemployment and inflation.

7- The Core of Macroeconomic Theory I

The following lectures present the current understanding of how market economies work. In this part of the course we will study the macroeconomic theory. We will learn the macroeconomics perspectives on Demand and supply, principles of the Keynesian (demand) and neoclassical (supply) macroeconomic theories and explain how they differ.

8- The Core of Macroeconomic Theory II

The fundamental ideas of Keynesian economics were developed before the AD/AS model was popularized. From the 1930s until the 1970s, Keynesian economics was usually explained with a different model, known as the expenditure-output approach. This approach is strongly rooted in the fundamental assumptions of Keynesian economics: it focuses on the total amount of spending in the economy, with no explicit mention of aggregate supply or of the price level. We will learn the principles of the Keynesian theory of consumption and explain how equilibrium output is determined. Finally, we are going to describe the multiplier process to calculate changes in equilibrium.

9- Fiscal Policy and its effects on the economy

After learning how to calculate equilibrium output and the multiplier process, we arrive at one of the most important influences in the economy: The government and its fiscal policy. We are going to discuss the government introduced multipliers and their effect on the economy (on the equilibrium output), as well as the influence of the economy on the government budget.

10- Monetary Policy, the Federal Reserve and its effects on the economy

What is money? How money is created? What is the role of money in the economy? In this lecture we are going to study the forces that determine the supply of money and how banks interact with the Federal Reserve (Fed) to create money. Finally, we are going to discuss the Fed activities before and after 2008.

11- The Balance of payments, Exchange Rates and Aggregate Expenditure

Until this point in the course we have assumed a closed economy to the world, this is not the case. In this lecture we explore the ways in which the openness of the economy affects macroeconomic policy making.

12- Special Topic: 2008 Financial crisis

Given the financial crisis, the mortgage crisis, the lingering unemployment situation, new responsibilities of the Federal Reserve, benefits of the stimulus package and so on, this is the perfect time to talk about the 2008 financial crisis. In this short lecture, we are going to discuss how the different causes of the 2008 financial crisis and its consequences to the world economy.

COURSE OBJECTIVES:

Upon successful completion of this course, the student will be able to:

- Discuss the concerns of macroeconomics and the interactions of its components. Review the macroeconomic history of the United States.
- Describe the Gross Domestic Product (GDP) fundamentals, the methods of calculating GDP and its limitations in measuring well-being.
- Explain unemployment, the tools to measure it and the costs and effects of inflation.
- Discuss the principles of the Keynesian theory of consumption, its relationship with planned and actual investment. Describe and calculate the equilibrium output and the multiplier process.
- Discuss the influence of fiscal and monetary policies on the economy and its multipliers. Explain the influence of the economy on the government budget.
- Define money and explain how banks create money. Describe the functions and structure of the Federal Reserve System. Understand how the Fed can change the interest rate.
- Discuss Globalization, Balance of Payments and Exchange rates.

REQUIRED OPEN TEXTBOOK:

Greenlaw, Steven A., Shapiro, David, Taylor, Timothy. Principles of Macroeconomics. 2nd Edition. Openstax. ISBN-13: 978-1-947172-39-5. Price: Free, Used.

URL: <https://openstax.org/details/books/principles-macroeconomics-2e>

USE OF TECHNOLOGY: BLACKBOARD AND LEHMAN EMAIL:

We use Blackboard to post important course-related documents and materials such as the course syllabus (and any updates or changes to the syllabus), submitting assignments and solutions to the recommended (suggested) homework (practice) problems. Blackboard can be accessed through the Lehman College website: www.lehman.cuny.edu .

Since Blackboard is automatically linked to your **Lehman College email account**, and will serve as the principal method to communicate outside the classroom, students are expected to check Blackboard and their Lehman College email account on a regular basis.

If you have any questions about Blackboard and your Lehman College email account or your password, or if you have any problems accessing the site please call the computer helpdesk at 718-960-1111.

GRADING POLICY:

Grades will be determined by the following criteria:

- **Attendance 5%:**

Attendance is required (see Attendance policy from student book). Every class day the professor will call your name in the first 10 minutes of class. If you arrive after your name is called, your attendance for that day will count as a half point (0.5) instead of one. The final grade on attendance correspond to the cumulative sum of the points the student obtained given throughout the course, divided by the total amount of cumulative points possible.

- **Assignments and Homework 40%:**

All the assignments are in groups of three to five people to encourage discussion. First assignment will be a presentation of the economic indicators of a selected country, and all the remaining ones will be selected problems and review questions from the textbook.

Homework projects have two equally weighted parts: submitting the assignment at the due date (50%), and participating in the review of the homework (50%). If the student fails to attend to the homework review, the 50% score of the homework assignment will be added to the corresponding exam. Every homework project is in groups of three or four students and at least one member of each group is required to solve one of the problems on the board. 10% will be deducted for each day the assignment is overdue. (All assignment will be submitted via blackboard and are due before 11:59pm of their respective assigned date). Keep in mind that the cumulative value of the assignments is 40% of your final grade.

- **Exams 55%:**

Exams are based on the assigned course readings, lectures and supplemental materials related to the course. A total of FOUR exams will be assigned for this class. **ALL Exams will be administered in-person (i.e. on the Lehman College Campus)**. You are **required to bring a calculator to all the exams**, other electronic devices are not permitted as calculators. The dates of the Exams are the following:

EXAM 1: Thursday, February 22nd

EXAM 2: Tuesday, March 27th

EXAM 3: Thursday, April 26th

EXAM 4: To be determined by Registrar Office

Each exam is equally weighted when calculating the final distribution of the course grade. **The lowest performing grade will be dropped from calculation of the final course grade.** That is, the three highest performing grades. Unless informed

otherwise, **taking all the exams is required**, if you don't attend to one of the exams, you will receive a 0 and that score will count for the calculation of your final grade. Because the lowest performing grade in the course is dropped, **no make-up exams nor additional assignments** will be administered for students who did not complete an exam, or participated in an assignment.

If a student possesses a well-justified and evidenced reason to not complete an exam during its scheduled time, then the professor may consider an exception and grant the student the opportunity to take a make-up exam. Nevertheless, the make-up exam will be different from the previously administered exam and the student's final course grade will then be calculated as the equally weighted average of the four exams; e.g. the lowest performing grade in the course will NOT be dropped from the calculation of the final course grade.

Course Topics corresponding to each exam	
Exam #1	Chapter 1-3 Lectures 1-3 Homework #2
Exam #2	Chapter 6, 8-9 Lectures 4-6 Homework #4
Exam #3	Chapter 11-13 Lectures 7-8 Homework #5
Exam #4	Chapter 14-17 Lectures 9-11 Homework #6

COURSE EVALUATION AND GRADING SCALE:

Course Evaluation	
Homework #1	5%
Homework #2	7.5%
Homework #3	5%
Homework #4	7.5%
Homework #5	7.5%
Homework #6	7.5%
Exam #1	55%
Exam #2	
Exam #3	
Exam #4	
Attendance	5%
Total	100%

Grading Scale	
Score Range	Grade
95 – 100	A
90 – 94	A-
86-89	B+
83 – 85	B
80 – 82	B-
76 – 79	C+
70 – 75	C
66 – 69	C -
63 – 65	D+
60 – 62	D
59 or lower	F

ACCOMMODATING DISABILITIES:

Lehman College is committed to providing access to all programs and curricula to all students. Students with disabilities who may need classroom accommodations are encouraged to register with the Office of Student Disability Services. For more information, please contact the Office of Student Disability Services, Shuster Hall, Room 238, phone number, 718-960-8441.

ATTENDANCE POLICY (FROM STUDENT HANDBOOK)

Students are expected to attend classes regularly, and instructors are required to record attendance for grading and counseling purposes. Individual instructors, as well as departments or degree programs, may establish specific attendance requirements. Instructors have the right to weigh attendance and class participation in determining grades. It is the student's responsibility to ascertain the effect attendance may have on the grade in a course. Students receiving financial aid must be certified as attending classes regularly for continuing eligibility.

ACADEMIC CENTER FOR EXCELLENCE (ACE) & SCIENCE LEARNING CENTER (SLC)

The Academic Center for Excellence (ACE) and the Science Learning Center (SLC) are two of the tutoring centers on campus. The ACE provides appointment based and drop-in tutoring in the humanities, social sciences, and writing, as well as general writing and academic skills workshops. The SLC provides drop-in tutoring for natural and computer science courses. To obtain more information about the ACE and the SLC, please visit their website at <http://www.lehman.edu/issp> or please call to the ACE at 718-960-8175, and the SLC at 718-960-7707.

ACADEMIC INTEGRITY AND PLAGIARISM POLICY

Statement may be found in student handbook. For more information, refer to <http://www.lehman.cuny.edu/student-affairs/documents/student-handbook-02.pdf>. While students are encouraged to work together in solving most of the class assignments, each student needs to hand in their individual work to receive a full grade. Being caught cheating in an exam will result in a score of 0% in the exam and/or a final grade for the course of "F".

SPECIFIC POLICIES

The instructor will be very respectful with each student. The same is expected from each student to all other classmates and to the instructor. **The use of laptops for activities unrelated to the course is not allowed during class.** Please **turn off** your cell phones during class.

ECO 166 – D301 Introduction to Macroeconomics, Spring 2018: Weekly Calendar

Session	Date	Topic/Assignments	Objectives	Student Assignments
Week 1	Tu – 01/30	Welcome and Introduction	Know each other; Describe the Syllabus, Schedule and Grades	Enjoy and discuss
	Th – 02/01	Introduction to Economics	Introduce the topic and concepts related to economics. Assign Homework #1	Read Chapter 1
Week 2	Tu – 02/06	Review Homework #1. The scarcity problem	Discuss the choice in a World of Scarcity. Review Homework #1. Assign Homework #2	Homework #1 due date February 4th at 11:59 pm. Read Chapter 2. Key concepts and summary for Chapter 1 and 2
	Th - 02/08	Demand, Supply, and Market Equilibrium	Discuss Market Demand and Supply. Discuss the shifts on Demand and Supply	Read Chapter 3
Week 3	Tu - 02/13	Demand, Supply, and Market Equilibrium. Workshop: Demand and Supply	Discuss Market Equilibrium,	Read Chapter 3. Homework #2 due date is February 14th at 11:59 pm.
	Th – 02/15	Review Homework #2.	Review Homework #2	Bring a calculator and your Homework #2
Week 4	Tu – 02/20	No Class Scheduled	See Academic Calendar	
	Th – 02/22	Exam #1: Lectures 1-3		Read Chapters 1, 2 and 3 ONLY. Read lectures 1-3. Review Homework #2
Week 5	Tu – 02/27	Review Exam #1. The Macroeconomic Perspective I	Discuss the macroeconomic concerns: Gross Domestic Product, Unemployment and Inflation. Assign Homework #3	Read Chapter 6.1
	Th – 03/01	The Macroeconomic Perspective I (cont...)	Discuss the Role of the Government: Fiscal Policy and Monetary Policy. A brief History of Macroeconomics.	Read Chapter 6
Week 6	Tu – 03/06	Review Homework #3.	End the discussion regarding Inflation and Deflation. Review Homework #3.	Deliver Homework #3.
	Th – 03/08	The Macroeconomic Perspective II	Discuss how to calculate GDP and GDP deflator. How to calculate real GDP. Assign Homework #4	Read Chapter 6.
Week 7	Tu – 03/13	The Macroeconomic Perspective II (cont...). Unemployment, Inflation, and Long-Run Growth.	Discuss the Limitations of the GDP Concept. Discuss the concepts, patterns and what causes changes on Unemployment. Discuss Inflation and Deflation and its costs.	Read Chapter 6. Read Chapter 8
Week 7	Th – 03/15	Unemployment, Inflation, and Long-Run Growth.	Discuss Inflation and Deflation and its costs.	Read Chapter 8 and 9

ECO 166 – D301 Introduction to Macroeconomics, Spring 2018: Weekly Calendar

Session	Date	Topic/Assignments	Objectives	Student Assignments
Week 8	Tu – 03/20	TBD	TBD	Homework #4 due date is March 21st at 11:59 pm.
	Th – 03/22	Review Homework #4. Workshop	Review Homework #4	Bring a calculator and your Homework #4
Week 9	Tu – 03/27	Exam #2: Lectures 4-6		Read Chapters 6, 8 and 9 ONLY. Read lectures 4-6. Review Homework #4
	Th – 03/29	The Core of Macroeconomic Theory I	We are going to discuss the process of building a model of aggregate demand and aggregate supply. We will discuss the shifts of aggregate supply and demand. Assign Homework #5	Read Chapter 11.2 – 11.4
Week 10	Tu – 04/03	No Class Scheduled	See Academic Calendar	
	Th – 04/05	No Class Scheduled	See Academic Calendar	
Week 11	Tu – 04/10	Review Exam #2. The Core of Macroeconomic Theory I (cont...)	We are going to describe the Keynes and Neoclassical macroeconomic perspectives.	Read Chapter 12, Read Chapter 13.1, 13.2
	Th – 04/12	The Core of Macroeconomic Theory II	We are going to discuss the Expenditure-output Model, and the components of the aggregate expenditure schedule	Read the Appendix B
Week 12	Tu – 04/17	The Core of Macroeconomic Theory II (cont...)	We are going to learn how to solve the equilibrium in the Keynesian Cross Model	Read the Appendix B
	Th – 04/19	The Government and Fiscal Policy	We are going to discuss the role of the government in the economy, the government spending and taxation, and the federal debt.	Read Chapter 17. Homework #5 due date is April 22nd at 11:59 pm
Week 13	Tu – 04/24	Review Homework #5. Workshop	Review Homework #5	Bring a calculator and your Homework #5
	Th – 04/26	Exam #3: Lectures 7-8		Read Chapters 11, 12 and 13 ONLY. Read lectures 7-8. Review Homework #5
Week 14	Tu – 05/01	Review Exam #3. Money, the Federal Reserve and the Monetary Policy	We will have an overview of Money. We will discuss how banks create money, and introduce the Federal Reserve System. Assign Homework #6	Read Chapter 14
	Th – 05/03	Money, the Federal Reserve and the Monetary Policy (cont...)	We will continue with the Federal Reserve System. Discuss the demand of Money and Interest Rates, and how the Federal Reserve Controls the Interest rates	Read Chapter 15

ECO 166 – D301 Introduction to Macroeconomics, Spring 2018: Weekly Calendar

Session	Date	Topic/Assignments	Objectives	Student Assignments
Week 15	Tu – 05/08	The Balance of Payments, Exchange Rates and Aggregate Expenditure	We will understand the effect of exports and imports on the aggregate expenditure. We will discuss how a foreign exchange market works and its effect on the economy.	Read Chapter 16
	Th – 05/10	Special Topic: 2008 Financial Crisis	Discuss the causes and consequences of the 2008 Financial Crisis	Homework #6 at 11:59 pm
Week 16	Tu – 05/15	Review Homework #6. Workshop	Review Homework #6	Bring a calculator and your Homework #6
	TBD	Exam #4: Lectures 9-11		Read Chapters 14-17 ONLY. Read lectures 10-11. Review Homework #6

ECO 166 – D301 Introduction to Macroeconomics, Spring 2018: Reading and Resources Guide

Lecture 1: Welcome to economics

Readings:

Chapter 1: Welcome to economics!

Videos:

What is the difference between positive and normative economics? By Amy Fontinelle, at www.investopedia.com

URL: <https://www.investopedia.com/ask/answers/12/difference-between-positive-normative-economics.asp>

How Behavioral Science can lower your energy bill? By Alex Laskey, at www.ted.com

URL: https://www.ted.com/talks/alex_laskey_how_behavioral_science_can_lower_your_energy_bill

Extra readings:

The Minimum Wage: Does It Matter? By Lisa Smith, at www.investopedia.com

URL: https://www.investopedia.com/articles/07/minimum_wage.asp

Minimum Wage: Good Cause or Economic Pariah? By Matt Cavallaro, at www.investopedia.com

URL: <https://www.investopedia.com/financial-edge/0112/minimum-wage-good-cause-or-economic-pariah.aspx>

Trump: A New Economic Policy for the US? By Andrew Walker, at www.bbc.com

URL: <http://www.bbc.com/news/business-37952472>

Should we drill in the Arctic National Wildlife Refuge? An economic perspective By Michael J. Kotchen and Nicholas E. Burger. Energy Policy 35 (2007) 4720-4729.

URL: <http://environment.yale.edu/kotchen/pubs/anwr.pdf>

Lecture 2: Choice in a world of scarcity

Readings:

Chapter 2.1: How individuals make choices based on their budget constraint

Chapter 2.2: The production possibilities frontier and social choices

Videos:

Command Economies, at www.investopedia.com

URL: <https://www.investopedia.com/terms/c/command-economy.asp>

Extra readings:

Getting the Most Out of Life: The Concept of Opportunity Cost, by Russell Roberts at www.econlib.org

URL: <http://www.econlib.org/library/Columns/y2007/Robertsopportunitycost.html>

China fights for market economy status, by Lucy Hornby in Beijing and Shawn Donnan in Washington at www.ft.com

URL: <https://www.ft.com/content/572f435e-0784-11e6-9b51-0fb5e65703ce>

China Market Economy, by economywatch at <http://www.economywatch.com>

URL: <http://www.economywatch.com/market-economy/china-market-economy.html>

Trump says China is not a market economy. That's a big deal, By Chad P. Bown at www.washingtonpost.com

URL: https://www.washingtonpost.com/news/monkey-cage/wp/2016/12/12/trump-says-china-is-not-a-market-economy-heres-why-this-is-a-big-deal/?utm_term=.ee1ff6acd624

Lecture 3: Demand, Supply and the Market Equilibrium

Readings:

Chapter 1: Welcome to Economics

Chapter 3: Demand and Supply

Videos:

Why global demand of oil is slowing down, by Wall Street Journal at www.wsj.com

URL: <http://www.wsj.com/video/why-global-demand-for-oil-is-slowing-down/501BE7F8-A148-4D29-93BA-03FBEF3E9364.html>

Extra readings:

Consumers buying less donuts, by Charlotte Libov, at www.newsmax.com

URL: <https://www.newsmax.com/Health/Health-News/sugary-processed-foods-pastries/2014/12/29/id/615359/>

Economics of Love and Valentin, by Cielito F. Habito, at opinion.inquirer.net

URL: <http://opinion.inquirer.net/101646/economics-love-valentines-day>

Hyundai falls 4% as small cars tumble, by Gabe Nelson at www.autonews.com

URL: <http://www.autonews.com/article/20141202/RETAIL01/312029993/hyundai-falls-4-percent-as-small-cars-tumble>

Chocolate lovers: prices could go up (again)!, by Patrick Gillespie at money.cnn.com

URL: <http://money.cnn.com/2015/06/23/investing/chocolate-cocoa-prices-go-up/index.html>

OPEC reports record compliance with output cuts, raises 2017 oil demand growth forecast, by Karen Gilchrist & Tom DiChristopher at <https://www.cnbc.com>

URL: <https://www.cnbc.com/2017/02/13/oil-demand-set-to-outdo-10-year-average-in-2017-opec.html>

Why Egg prices will likely to rise in 2015, by moneywatch, at www.cbsnews.com

URL: <https://www.cbsnews.com/news/why-egg-prices-will-likely-rise-in-2015/>

Lecture 4: The Macroeconomic Perspective I

Readings:

Chapter 6.1: Measuring the size of the Economy: Gross Domestic Product

Videos:

What is Fiscal Policy?, by Investopedia at www.investopedia.com

URL: <https://www.investopedia.com/insights/what-is-fiscal-policy/>

Monetary Fiscal, by Investopedia at www.investopedia.com

URL: <https://www.investopedia.com/terms/m/monetarypolicy.asp>

Extra readings:

Monetary Policy and the Federal Reserve System

<https://www.federalreserve.gov/aboutthefed/pf.htm>

<https://www.federalreserve.gov/monetarypolicy.htm>

Fiscal Policy

<http://www.imf.org/external/pubs/ft/fandd/basics/fiscpol.htm>

<https://www.whitehouse.gov/omb/budget/>

The Worst Hyperinflations in History: Hungary, by Bryan Taylor in Economic Data, Exchange Rates, Government at www.globalfinancialdata.com

URL: <https://www.globalfinancialdata.com/gfdblog/?p=2382>

Lecture 5: The Macroeconomic Perspective II

Readings:

Chapter 6: The Macroeconomic Perspective

Videos:

What is ‘Gross Domestic Product – GDP’, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/g/gdp.asp>

Nominal vs Real GDP, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/video/play/nominal-vs-real-gdp/>

Extra Readings:

The Market Is Betting Trump Will Bring Higher Inflation and Interest Rates, by Neil Irwin, at the www.nytimes.com

URL: https://www.nytimes.com/2016/11/10/upshot/the-market-is-betting-trump-will-bring-higher-inflation-and-interest-rates.html?_r=0

GDP news release, at www.bea.gov

URL: <https://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>

Lecture 6: Unemployment, Inflation and Long-run Growth

Readings:

Chapter 8: Unemployment

Chapter 9: Inflation

Videos:

Consumer Price Index, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/c/consumerpriceindex.asp>

Cyclical Unemployment, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/c/cyclicalunemployment.asp>

Frictional Unemployment, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/f/frictionalunemployment.asp>

Structural Unemployment, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/s/structuralunemployment.asp>

Extra Readings:

Consumer Price Index, by Bureau Labor Statistics, at <https://www.bls.gov/cpi/>

Consumer Price Index - December 2017, by Bureau Labor Statistics, at www.bls.gov

URL: <https://www.bls.gov/news.release/pdf/cpi.pdf>

Searching for the true unemployment rate By Wayne Curtis, at www.al.com

URL:

http://www.al.com/opinion/index.ssf/2017/09/searching_for_the_true_unemplo.html

Lecture 7: The Core of Macroeconomic Theory I

Readings:

Chapter 11.2: Building a Model of Aggregate Demand and Aggregate Supply

Chapter 11.3: Shifts in Aggregate Supply

Chapter 11.4: Shifts in Aggregate Demand

Chapter 11.1: Macroeconomic Perspectives on Demand and Supply

Chapter 12: The Keynesian perspective

Chapter 13.1: The Building blocks of Neoclassical Analysis

Lecture 8: The Core of Macroeconomic Theory II

Readings:

Appendix B: The Expenditure-Output Model

Videos:

Consumption Function, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/c/consumptionfunction.asp>

Keynesian Economics, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/k/keynesianeconomics.asp>

Extra readings:

Neoclassical Economics, by Investopedia, at www.investopedia.com

URL: <https://www.investopedia.com/terms/n/neoclassical.asp>

Beware the dangerous orthodoxy of neoclassical economics, by Goodacre et al, at www.theguardian.com

URL: <https://www.theguardian.com/education/2017/dec/27/beware-the-dangerous-orthodoxy-of-neoclassical-economics>

Neoclassical economics and principles of sustainable development, by Robert Gooland, and George Ledec. Ecological Modelling, Vol 38, Issues 1-2, 1987, pp 19-46

What is New-Keynesian Economics?, by Robert J. Gordon. Journal of Economic Literature, Vol 28, No. 3, 1990, pp 1115-1171.

Lecture 9: Fiscal Policy and its effects on the economy

Readings:

Chapter 17: Government Budgets and Fiscal Policy

Videos:

The Budget Process, by John Taylor, at www.policyed.org. ©The Board of Trustees of Leland Stanford Junior University.

URL: <https://www.policyed.org/debt-and-deficit-primer/budget-process/video>

The Debt and The Deficit, by John Taylor, at www.policyed.org. ©The Board of Trustees of Leland Stanford Junior University.

URL: <https://www.policyed.org/debt-and-deficit-primer/debt-and-deficit/video>

The Economy and the deficit, by John Taylor, at www.policyed.org. ©The Board of Trustees of Leland Stanford Junior University.

URL: <https://www.policyed.org/debt-and-deficit-primer/economy-deficit/video>

National Debt Hits \$20 Trillion- But What Does This Mean, by CBN, at www.CBN.com

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