

## (Tentative) IIEP Online Macroeconomics Principles Program

The Institute for International Economic Policy offers this online (non-credit) program designed to give students a background in introductory macroeconomics over a five-week period.

The program has no formal economics prerequisites but it very desirable to have completed a microeconomics course first. The course does not use calculus but basic knowledge of algebra is assumed. (Students will have access to videos for a review of needed math).

The program will include a combination of streaming pre-recorded lectures using “vimeo.com”, weekly live online office hours, weekly homework assignments, and two short quizzes (submitted electronically over a range of days).

Students will have significant flexibility on when they complete activities. However, there are final due dates for homework and assignments to help ensure that students make steady progress.

No academic credit is offered for this program. However, successful completion of this program can satisfy the Elliott School macroeconomics prerequisites requirement. (See below for grading criteria.)

The material covered is used extensively throughout required Elliott School economics courses (e.g. Econ 6280 (Survey of International Economics) and 6250 (Survey of Development Economics)) as well as other elective coursework in economics. Two critical aspects to know about successful participation:

- Students must have regular and reliable access to a high-speed Internet connection in order to watch lecture videos as well as access written materials, homework and quizzes.
- Students must submit all assignments as a single PDF file. There are free smartphone apps that allow you scan your assignments if you not have access to a scanner (e.g. Tiny Scanner).

### **Overview**

Macroeconomics is the study of the economy as a whole. (Microeconomics in contrast focuses on individual markets and individual firms, consumers, and workers.) Topics include how to measure economic activity (e.g. economic growth, unemployment and inflation) and the role of the financial system (e.g. the money and bond markets) in a modern economic system. Macroeconomics also focuses on possible government policy responses to economic downturns and inflation.

Most of the material in this program will be delivered through online recorded lectures as well as lecture notes and assignments in a recommended, though not required, textbook (Greg Mankiw’s *Principles of Economics*---older editions will suffice. Online office hours will take place each Saturday and Sunday.

- Weekly problem sets will be assigned along with answer keys distributed after the due date.

- Two quizzes will be required. Both quizzes will be open-book and submitted electronically.

### **Program Prerequisites**

- No background in economics is necessary but background in microeconomics is ***highly desirable***.
- This program (and most economics coursework at the Elliott School) uses relatively simple math concepts (e.g. slope of a line, ratios, areas of triangles and rectangles, equations of a line, reading and understanding graphs). No calculus is used.
- It is essential that students be willing to think abstractly and further develop strong analytical thinking.
- No statistical analysis will be used

### **Program Structure**

There will be multiple sections of the program

- **Pre-Program:** Students should complete the math review and videos about economic jargon before the program starts. This material simply serves as background; no graded work will be assigned during this period.
- **Graded Material**  
Part 1--Fundamentals of Macroeconomics: This material will be the focus for assigning the “grade” for the program and must be completed by the second quiz final due date.
- **Non-Graded Material**  
Part 2: Additional Required Material. The subjects in Part 2 are not part of the graded material that will be finished by the end of the program but will be assumed knowledge in later economics courses. This includes policies for long-term growth and a brief introduction to international macroeconomics and exchange rates.

### **Strategy to Approach Material**

Part 1 is scheduled to last about five weeks; students must work diligently and consistently throughout. The final quiz will take place shortly thereafter. This program will be intensive for many students. Do not fall behind; you will be hard pressed to catch up.

Students should plan on watching about four hours of lecture per week along with approximately four more hours on reading assignments, homework assignments, and preparing for quizzes. This obviously can vary enormously across students who all learn in different ways.

**Textbook:** No textbook is required but Gregory Mankiw’s *Principles of Economics* is highly recommended. Readings from the 7th edition will be noted throughout. This is an older edition; other editions should be fine.

**Assessment of Student Progress:** Students must achieve at least 70 percent of all possible points to satisfy the Elliott School microeconomics prerequisite requirement.

- Homework (34 percent of total grade): Students will receive credit for any homework submitted that shows a serious effort at completing every part of the homework. These will be distributed on a weekly basis after the program begins.
- Quiz 1 (33 percent of total grade): Students will submit a quiz electronically on Modules 1-4.
- Quiz 2 (33 percent of total grade): Students will submit a quiz electronically on the Modules 5-8.

### **Signing Up for Online Office Hours**

We will circulate a “doodle” signup for office hours. (See [www.doodle.com](http://www.doodle.com) if you would like to get a sense of this.) This will help organize the office hours since many people may participate at the same time. Please let us know if you cannot make the office hours the day before the event so that we know who cannot participate. This is simple courtesy. See class schedule below for specific dates and times.

**Academic Integrity.** This program is being offered to help students prepare for their required coursework in economics. Any infraction of academic integrity (collaborating with another person on a quiz or copying someone else’s work) simply hurts the student. All students must use this material in other courses; “cheating” only hurts the student himself or herself.

Students are not allowed to share this material with others who have not paid for the program.

## Course Topics

**Pre-course Preparation:** Students are encouraged to view the math review and economic jargon/terminology videos located under Modules 0.1 and 0.2 on the coursesites.com website.

### Part 1: Graded Material

Week 1:

Module I: An Introduction to Macroeconomics

Module II: Measuring Economic Activity

Week 2:

Module III: Measuring Change in the Cost of Living

Module IV: Aggregate Demand and Aggregate Supply

Week 3:

Module V: Financial Intermediaries (Money and Bond Markets)

Module VI: Labor Markets

Week 4:

Module VII: Macroeconomic Policy Tools

Week 5:

Module VIII: Aggregate Demand and Aggregate Supply (with Changing Prices)

Module IX: Policy Applications of Aggregate Demand and Aggregate Supply

### Part 2: Additional Required Material (but not graded---nevertheless essential for later courses)

Module X: Economic Policies to Encourage Long-Term Economic Growth

Module XI: “Open Economy” Analysis: Balance of Payments and Foreign Exchange Markets