

## **Elliott School Online Intermediate Macroeconomics Program (Summer 2019)**

This online (non-credit) program is designed to give students a background in intermediate macroeconomics. The program presumes knowledge of introductory macroeconomics. Graphical and algebraic techniques will be used and the emphasis will be on developing strong economic intuition. Formal mathematical modeling using calculus is not developed in the program. The content will include a combination of streaming pre-recorded lectures, weekly live online office hours held on Saturday and Sunday, weekly homework assignments, two quizzes and a final exam. An example of one of the lectures can be found [here](#).

- The primary goal of this program is to prepare students take courses at the Elliott School, especially Econ 6284 (International Macroeconomics Theory and Policy) and Econ 6250 (Survey of Economic Development). The program also could help prepare candidates entering the public policy and applied economics programs at George Washington University.
- The program also will prepare students to satisfy the intermediate macroeconomic theory proficiency requirement for the Elliott School's MIEP program.

The core of the program lasts between June 10<sup>th</sup> and ends on August 11<sup>th</sup>. During this period, participants will have periodic graded homework assignments and weekly online office hours on Saturday and Sunday with a teaching assistant. (Due dates for homework: June 23<sup>rd</sup>, July 7<sup>th</sup>, July 21<sup>st</sup>, and August 4<sup>th</sup>). In addition, two quizzes will be due no later than July 12<sup>th</sup> and August 11<sup>th</sup>.

**A final exam will be held (in person) on August 22** on the George Washington University campus.

Participants will have access to all materials as soon as payment is received by the Elliott School's Institute for International Economic Policy (IIEP). Teaching assistant support will only be available between June 3<sup>rd</sup> and August 4<sup>th</sup>.

**Participants generally will have significant flexibility for completing activities, especially the online video lectures.**

- The program is “asynchronous,” i.e., there are no set times for participants to meet simultaneously except for the final exam on August 22.
- However, there are firm final due dates for electronic submission of homework and quizzes to help ensure that students make steady progress. Late submissions will receive a 30 percent penalty.
- Participants are welcome to turn in the material in advance of these deadlines. This may help students traveling during the summer.
- Additional problems and answer keys are provided in each part of the program. These are not graded but will be very useful practice.

All assignments are “open book” so that students may consult readings and online videos when completing the required work.

### **Assessing Participant Progress**

Participants must receive 70 percent of all available points to “pass” the program.

- Homework assignments (4): 32 percent
- Take-home quizzes (2): 32 percent
- Final exam: 36 percent

The main set of resources are video lectures offered either through Vimeo or YouTube. Homework assignments and quizzes will be distributed through “Coursesites.com”.

**Treat the video lectures as you would an in-person class.** Take detailed notes. Repeat the videos to understand concepts you do not understand. Economics is a discipline that one can only understand by writing and practicing. Passive viewing will not be sufficient for the vast majority of students.

### **Program 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. This program will introduce two workhorse models of macroeconomics: IS/LM as well as aggregate demand/aggregate supply. We will also develop basic growth models with particular attention to the Solow model.

**Textbook:** There is no required textbook but almost any intermediate macroeconomics textbook will cover these issues, which are fundamental to the subject. Macroeconomics by Abel, Bernanke, and Croushore is particularly helpful and relevant reading assignments in that textbook will be noted. Used versions of this textbook can be found easily on the Internet.

**Program Prerequisites:** Participants must have successfully completed an introductory macroeconomics course before beginning this program. Participants must be able to manipulate, interpret, and understand graphs and be able to do simple algebra. Calculus is not used in this program.

**Program Schedule Overview:** The program is divided into various sections.

- Modules I and II are a review of intro macro along with some basic information about how national economic activities are measured.
- Modules III and IV outline aggregate demand and aggregate supply concepts. Most of this should have been covered in an introductory macroeconomics class.
- Module V covers details about consumption functions as well as savings and investment decisions. Module VI focuses on asset markets (including money and bond markets) that are key to understanding macroeconomics.

- Modules VII and VIII include details about fiscal and monetary policies and then turn to various versions of short-run Keynesian analysis with simultaneous clearing of money, goods, and asset markets. These materials will introduce IS/LM analysis as well as aggregate demand/aggregate supply (AD/AS) tools that are the workhorse techniques used for much policy analysis.
- Module IX and X allow for prices to change and reexamine the impact of fiscal and monetary policies with inflation built in.
- Module XI includes an introduction to long run growth, including growth accounting and an introduction to the Solow growth model.

### Detailed program schedule (tentative)

Program begins on June 10th

#### Week 1:

Online office hours: June 15<sup>th</sup> and 16<sup>th</sup>

Finish Module I and Module II by June 16th

#### Week 2:

Online office hours: June 22<sup>nd</sup> and June 23<sup>rd</sup>

Finish Module III and by June 23<sup>rd</sup>

Homework #1 (Modules I, II and III) due **no later than** midnight June 23<sup>rd</sup> (EDT)

#### Week 3:

Online office hours: June 29<sup>th</sup> and June 30<sup>th</sup>

Finish Module IV by June 30<sup>th</sup>

July 1<sup>st</sup> - July 5<sup>th</sup> (Independence Day break)

#### Week 4

Online office hours July 6<sup>th</sup> and July 7<sup>th</sup>

Finish Module V by July 7<sup>th</sup>

Homework #2 (Modules IV and V) due **no later than** midnight July 7<sup>th</sup> (EDT)

Quiz #1 (Modules I-V) due **no later than** July 14<sup>th</sup> at midnight (EDT).

#### Week 5

Online office hours July 13<sup>th</sup> and 14<sup>th</sup>

Finish Module VI by July 14<sup>th</sup>

#### Week 6

Online office hours July 20<sup>th</sup> and July 21<sup>st</sup>

Finish Module VII and VIII by July 21<sup>st</sup>

Homework #3 (Modules VI-VIII) due **no later than** midnight July 21<sup>st</sup> (EDT)

#### Week 7

Online office hours July 27<sup>th</sup> and July 28<sup>th</sup>

Finish Module IX and X by July 28<sup>th</sup>

Homework #4 (Modules IX and X) due **no later than** midnight August 4<sup>th</sup> (EDT)

#### Week 8

Online office hours August 3<sup>rd</sup> and 4<sup>th</sup>

Finish Module XI by August 4<sup>th</sup>

Quiz #2 (Modules VI-XI) due **no later than** midnight August 11<sup>th</sup> (EDT)

**August 22<sup>nd</sup>: Final exam covering Modules I-XI**