

**Detailed Syllabus for: "Principles of Macroeconomics";**  
Course Number : Economics 1002, Spring 2017  
Prof.Max Gillman, SSB Tower 313; Hours: Wed. 3:30-5:30pm; or appt.

Social Sciences Building 133, Tuesdays, Thursdays, 5:30pm - 6:45pm  
University of Missouri, St. Louis; North Campus

## 1 Overview:

Summary: This course will study the evolution of Macroeconomics from its origins in the 1930's Great Depression up through its manifestation during the 2008-2010 Great Recession. The two strands of macroeconomics, Keynesian and Neoclassical will be presented and critiqued with a view towards policy analysis. The policy of each view and the policy during the Great Recession and the Post-2008 "lost Decade" will be analyzed. This presents Theory, Evidence and Policy Analysis with an historical perspective of the development of the subject, and its current new directions. The course goes through the eleven chapters of the new Kendall Hunt textbook, *Principles of Macroeconomics: An Evolutionary Approach*, by M. Gillman, forthcoming January 2017. Plus it goes through "class modules" on the Federal Reserve Bank of St. Louis Economics Education website called Econlowdown, with modules as companions for each chapter of the textbook.

### 1.1 Goals

Understand how to use supply and demand to analyze macroeconomics and related policy. Become familiar with data analysis and how to graph data. Learn to use graphs for a wide variety of economic concepts.

Learn about the main tools used in Macroeconomics today and how they relate to the main Policy Discussions of today. Learn the historical comparison of the US Great Depression to the Great Recession. Understand the current policy debates and the underlying tensions that arise from Keynesian versus Neoclassical Economics. Associate the arising of divergent macroeconomic approaches with those devising the tools such as Irving Fisher versus John Maynard Keynes.

**Class attendance is mandatory.**

## 2 Required Reading

### 2.1 Textbook:

(PMEA) Gillman, Max. 2017. Chapter 11, "Great Recession and Lost Decade", *Principles of Macroeconomics: An Evolutionary Approach*, Kendall Hunt Publishing Company, January.

## **2.2 *Related Readings.***

1. Mankiw, Gregory, 2015, Principles of Macroeconomics, 6th Edition (or new 7th ed.);  
South-Western Cengage Learning.
2. Barro, Robert J., 1997. Macroeconomics. Cambridge, Mass, MIT Press.
3. Williamson, Stephen D. 2014, Macroeconomics, 5th Edition, Pearson.  
Advanced:
4. Gillman, M., 2011, Advanced Modern Macroeconomics: Theory and Application;  
Pearson Education, Financial Times Press, London.

## **3 GRADING**

### **3.1 Overview**

Class Attendance (10%);  
Homework weekly (30%);  
Exam 1 (20%);  
Exam 2 (20%);  
Final Exam (20%);

### **3.2 Homework**

Weekly assignments, based on three items:

1. Questions at the end of each Chapter of textbook PMEA.
2. Econlowdown Class Modules included at end of questions for each Chapter of textbook PMEA.
3. Composing graphs of Data Series using mainly FRED (Federal Reserve Data Base of the Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/>).

## **4 Course Outline and Assignments;**

15 Weeks (Spring Break occurs March 25-April 2, after Week 10).

### **4.1 Week 1. Chapter 1, PMEA,**

- Tuesday January 17: Class Introduction
- Read: Chapter 1, "Microeconomics Principles Used in Macroeconomics", PMEA.
- Thursday January 19th: Complete EconLowdown "Supply and Demand".

#### **4.2 Week 2: Chapter 1 and Chapter 2, PMEA**

- Tuesday: Hand-in Questions at end of Chapter 1: 1-12.
- Read: Chapter 2, "Aggregate Output & Income", PMEA
- Thursday: Complete EconLowdown "GDP and Pizza".

#### **4.3 Week 3: Chapter 2 and Chapter 3**

- Tuesday: Hand-in Questions at end of Chapter 2: 1-15.
- Read: Chapter 3, "Macro Divergence from Micro", PMEA
- Thursday: Complete EconLowdown "The Great Depression 1", and "The Great Depression 2".

#### **4.4 Week 4: Chapter 3 and Chapter 4**

- Tuesday: Hand-in Questions at end of Chapter 3: 1-15.
- Read: Chapter 4, "Business Cycles, Crises & Growth", PMEA
- Thursday: Complete EconLowdown "Unemployment".

#### **4.5 Week 5: Chapter 4 and Exam 1**

- Tuesday: Hand-in Questions at end of Chapter 4: 1-16.
- Study for Exam 1 on Chapters 1-4 of PMEA
- Thursday: Exam 1, in-class.

#### **4.6 Week 6: Exam 1 and Chapter 5**

- Tuesday: Review Exam 1 and Start Chapter 5.
- Read: Chapter 5, "Money, Banking & Policy", PMEA.
- Thursday: Complete EconLowdown "Monetary Policy" & "Capital Markets"

#### **4.7 Week 7: Chapter 5 and Chapter 6**

- Tuesday: Hand-in Questions at end of Chapter 5: 1-16.
- Read: Chapter 6, "Crises and Inflation", PMEA.
- Thursday: Complete two of three of EconLowdown: "Great Inflation", "The Great Depression 3", & "The Great Depression 4".

#### **4.8 Week 8: Chapter 6 and Chapter 7**

- Tuesday: Hand-in Questions at end of Chapter 6: 1-14.
- Read: Chapter 7, "Savings, Investment & Interest", PMEA.
- Thursday: Complete EconLowdown "Time Value of Money" & "Soar to Savings".

#### **4.9 Week 9: Chapter 7 and Chapter 8**

- Tuesday: Hand-in Questions at end of Chapter 7: 1-16.
- Read: Chapter 8, "AS-AD & Business Cycles", PMEA.
- Thursday: Complete EconLowdown "The Great Depression 5".

#### **4.10 Week 10: Chapter 8 and Exam 2**

- Tuesday: Hand-in Questions at end of Chapter 8: 1-14.
- Review: Chapters 5-8, PMEA.
- Thursday: Exam 2 In-Class.

#### **4.11 Week 11: Exam 2 and Chapter 9**

- Tuesday: Review Exam 2 and Start Chapter 9.
- Read: Chapter 9, "Growth, Progress & AS-AD", PMEA.
- Thursday: Complete EconLowdown "Economic Growth".

#### **4.12 Week 12: Chapter 9 and Chapter 10**

- Tuesday: Hand-in Questions at end of Chapter 9: 1-10.
- Read: Chapter 10, "Policy as Social Insurance", PMEA.
- Thursday: Complete EconLowdown "Government Budgets" & "Fiscal Policy".

#### **4.13 Week 13: Chapter 10 and Chapter 11**

- Tuesday: Hand-in Questions at end of Chapter 10: 1-12.
- Read: Chapter 11, "Great Recession & Lost Decade", PMEA.
- Thursday: Complete EconLowdown "The Great Depression 6".

#### **4.14 Week 14: Chapter 11 & Miscellaneous**

- Tuesday: Hand-in Questions at end of Chapter 11: 1-16.
- Review Chapters 1-11, PMEA.
- Thursday: Complete any missing EconLowdown modules.

#### **4.15 Week 15: Review of Course for Comprehensive Final**

- Final emphasizes Chapters 9-11.
- Review Chapters 1-8.
- Review EconLowdown Modules.