ECON113201 Macro Principles, 3 Credits
Boston College Summer Session 2018
Summer Session 1, 5/15/2018-6/21/2018
Meeting Days: Tuesday, Thursday.
Meeting Times: 6:00 PM-9:15 PM

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Phone Number: Not Available
Office: 385B Maloney
Office Hours: Thursday 4.00-6.00pm

Boston College Mission Statement
Strengthened by more than a century and a half of dedication to academic excellence, Boston College commits itself to the highest standards of teaching and research in undergraduate, graduate and professional programs and to the pursuit of a just society through its own accomplishments, the work of its faculty and staff, and the achievements of its graduates. It seeks both to advance its place among the nation's finest universities and to bring to the company of its distinguished peers and to contemporary society the richness of the Catholic intellectual ideal of a mutually illuminating relationship between religious faith and free intellectual inquiry.

Boston College draws inspiration for its academic societal mission from its distinctive religious tradition. As a Catholic and Jesuit university, it is rooted in a world view that encounters God in all creation and through all human activity, especially in the search for truth in every discipline, in the desire to learn, and in the call to live justly together. In this spirit, the University regards the contribution of different religious traditions and value systems as essential to the fullness of its intellectual life and to the continuous development of its distinctive intellectual heritage.

Course Description
In this course we will first start with a general and historical background. We will learn how capitalism revolutionized the way we live, and how economics attempts to understand this and other economic systems. We will use two simple models to explain how improvements in technology happen, and how they sustain growth in living standards. Subsequently, we will acquire some general and technical tools and will understand how and why macroeconomists design theoretical models to describe and analyze economic systems.

Then, we will start focusing on the main economic actors. We will focus on how the interactions among the firm’s owners, managers, and employees influence wages, work, and profits, and how this affects the entire economy. Additionally, we will learn on how a profit-maximizing firm producing a differentiated product sets prices and quantities.

The tools acquired in the previous paragraph will be useful to design and analyze one of the most important model in this class: the labor market. We will be able to answer questions such as how
competition, productivity, or immigration affects the labor market and the overall economy. Additionally, we will relate economics to the financial system. We will focus on how macroeconomics refers to the financial system and why is important. We will learn how credit, money, and banks expand opportunities for mutual gain and which factors limit efficiency and effectiveness of the financial system.

Subsequently, we will focus on business cycle and normative analysis. We will extensively discuss why economies experience recurrent fluctuations in aggregate production, unemployment and inflation. We will then introduce Keynes’ multiplier theory and we will use its related model to learn the effects of demand shocks and how governments can moderate costly fluctuations in employment and income. Finally, we will use the labor-market model presented above to learn limits and opportunities of monetary policy. We will use our workhorse model to answer how the rate of unemployment and the level of output affect inflation and how policymakers can perform effective policies to stabilize employment and incomes.

We will conclude the course with a historical overview of the last century. We will focus on the important epochs: a) roaring twenties and great depression, b) golden age and stagflation, and c) great moderation and financial crisis. We will use all the acquired tools to fully understand causes and aftermath of these three epochs.

Textbooks & Readings
The Economy, Version 2.0, by The CORE Team. The e-book version is freely available at core-econ.org. The paperback version is available at Boston College campus bookstore.

Textbooks & Readings
Slides and handouts weekly provided by the instructor on Canvas.

Canvas and technology pre-requisites
Canvas is the Learning Management System (LMS) at Boston College, designed to help faculty and students share ideas, collaborate on assignments, discuss course readings and materials, submit assignments, and much more - all online. As a Boston College student, you should familiarize yourself with this important tool. For more information and training resources for using Canvas, click here.

Homework are provided online on dashboard.oup.com. OUP Dashboard is an online system created to manage online assignments.

To register click register.dashboard.oup.com/catalog?pagename=978019186519. At the bottom of the page click on Woods College. Then, in the new page click on Marco Brianti and there you will have to create an account and purchase the access to the portal.

Course Objectives
1. The student will gain factual knowledge of the subject. Learning to use the correct terminology and the correct models to answer specific macroeconomic questions.
2. The student will learn fundamental empirical regularities and theories of the subject.
3. The student will learn how to interpret aggregate data for answering questions or solving problems related to the subject.

Grading
Final grade will be a weighted average on Class participation 10%, Assignments 20%, Exam I 30%, and Exam II 40%.
The undergraduate grading system for Summer Session is as follows:
A (4.00), A- (3.67), B+ (3.33), B (3.00), B- (2.67), C+ (2.33), C (2.00), C- (1.67), D+ (1.33), D (1.00), D- (.67), F (.00)

The graduate grading system for Summer Session is as follows:
A (4.00), A- (3.67), B+ (3.33), B (3.00), B- (2.67), passing but does not count toward degree, C (2.00), passing but not for degree credit, F (.00)

All students can access final grades through Agora after the grading deadline each semester. Transcripts are available through the Office of Student Services.

Deadlines and Late Work
Unless justified by an important motivation, if a homework is submitted after the deadline, it is not counted.

Course Assignments
There will be six electronic assignments. If a homework is submitted after the deadline, it is not counted. I expect you to spend at least 3 hours for each assignment. Teamwork in solving the Homework assignments is allowed. In fact, it is encouraged.

Course Schedule

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Task</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>05/18</td>
<td>Industrial Revolution</td>
<td>Assignment</td>
<td>05/21</td>
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<td>05/21</td>
<td>Technical Tools</td>
<td>Assignment</td>
<td>05/28</td>
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<td>05/28</td>
<td>Firm’s Decisions</td>
<td>Assignment</td>
<td>06/05</td>
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<td>06/05</td>
<td>Exam I</td>
<td>Exam</td>
<td>06/05</td>
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<td>06/05</td>
<td>Labor Market</td>
<td>Assignment</td>
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<td>06/12</td>
<td>Financial System</td>
<td>Assignment</td>
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<td>06/17</td>
<td>Fiscal Policy</td>
<td>Assignment</td>
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<td>06/21</td>
<td>Exam II</td>
<td>Exam</td>
<td>06/21</td>
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Attendance
Attending class is an important component of learning. Students are expected to attend all class sessions. When circumstances prevent a student from attending class, the student is responsible for contacting the instructor before the class meets. Students who miss class are still expected to complete all assignments and meet all deadlines. If you miss a class without an important reason, you will be likely to lose participation points associated with that class. If circumstances necessitate excessive absence from class, the student should consider withdrawing from the class.

Consistent with BC’s commitment to creating a learning environment that is respectful of persons of differing backgrounds, we believe that every reasonable effort should be made to allow members of the university community to observe their religious holidays without jeopardizing their academic status. Students are responsible for reviewing course syllabi as soon as possible, and for communicating with the instructor promptly regarding any possible conflicts with observed religious holidays. Students are responsible for completing all class requirements for days missed due to conflicts with religious holidays.
Accommodation and Accessibility
Boston College is committed to providing accommodations to students, faculty, staff and visitors with disabilities. Specific documentation from the appropriate office is required for students seeking accommodation in Summer Session courses. Advanced notice and formal registration with the appropriate office is required to facilitate this process. There are two separate offices at BC that coordinate services for students with disabilities:

- The Connors Family Learning Center (CFLC) coordinates services for students with LD and ADHD.
- The Disabilities Services Office (DSO) coordinates services for all other disabilities.

Find out more about BC’s commitment to accessibility at www.bc.edu/sites/accessibility.

Scholarship and Academic Integrity
Students in Summer Session courses must produce original work and cite references appropriately. Failure to cite references is plagiarism. Academic dishonesty includes, but is not necessarily limited to, plagiarism, fabrication, facilitating academic dishonesty, cheating on exams or assignments, or submitting the same material or substantially similar material to meet the requirements of more than one course without seeking permission of all instructors concerned. Scholastic misconduct may also involve, but is not necessarily limited to, acts that violate the rights of other students, such as depriving another student of course materials or interfering with another student’s work. Please see the Boston College policy on academic integrity for more information.