

**ECON 3020: INTERMEDIATE MACROECONOMICS SPRING 2023**Zoom Link for Class: <https://virginia.zoom.us/j/97493787390?pwd=R0FCU0Uyb2VubWRTeGVUb0JQTUY2dz09>

Passcode: class

**Lecture**

Class	Section	Day & Time	Room	Instructor
11834	400 - LEC	TR 5-6:15	Clark 107	Westerfield

**Discussion Sections**

Class	Section	Day & Time	Room	Instructor
13186	402	Th 7-7:50 pm	Warner Hall 104	Jiang
13351	401	Th 8-8:50 pm	New Cabell 323	Jiang
11837	403	Th 7-7:50 pm	Monroe 118	Conrad
13226	404	Th 8-8:50 pm	Monroe 116	Conrad

**Instructor:**

Maria Westerfield, Monroe 219 .

**Office Hours:** In person MON 219 T TR 3:30-4:30**(Please wear a mask to in person office hours)**

Zoom: TBA (will change around week1)

Extra Review Sessions TBA before tests

**Phone:** (434) 924-3177 Economics Department, Monroe Hall**E-mail:** [mam2p@virginia.edu](mailto:mam2p@virginia.edu) (office)**Teaching Assistants:**Lucille Conrad, [xrs4re@virginia.edu](mailto:xrs4re@virginia.edu)Jiahao Jiang, [jj8au@virginia.edu](mailto:jj8au@virginia.edu)**TA Office Hours in Basement of Monroe or Zoom:**

Wed 1/25-3/15, 1-2 pm, Basement of Monroe (Conrad)

Wed 3/22-5/2, 10-11 am on Zoom:

<https://virginia.zoom.us/j/97041557041?pwd=SIJnRIJvRIFubEtmBFQ3SGxQOXJBOT09> Passcode: TA office

**Course Description:** Intermediate Macroeconomics is the study of the aggregate economy, or the economy as a whole. While microeconomics examines the choices of individual households and firms, and how government policies can influence these decisions, macroeconomics examines the long-run growth of an entire economy and short-run fluctuations around the long-run growth trend. The field of macroeconomics commenced as a result of the Great Depression. The more recent financial crisis and Great Recession of 2007-2009 in the US, along with the COVID-19 recession – one of the largest historic drops in output and fastest increases in unemployment, has allowed us to witness a very volatile economy in the last 2 decades. Stagnant wage growth in the US has led some current workers to fear that they will not see a higher standard of living than their parents' generation. Macroeconomic models can be useful to gain a better understanding of this data and these events.

This course initially studies how key macroeconomic variables such as GDP, unemployment, inflation, and interest rates are measured. We then examine how financial markets, factor markets, and goods markets explain the relationships among key economic variables and what problems occur when these variables rise or fall. The long-run growth model can be used to answer such questions as the following: 1) How is real GDP determined in the long run? 2) What are the important factors that contribute to long-run growth? and 3) Why does the standard of living vary across countries and how has it changed over time? Short-run models are used to explain expansions and recessions, as well as to determine the effects of fiscal and monetary policy. We will look at the financial crisis of 2008 and the recent COVID recession, and the extraordinary steps taken by the Federal Reserve and Congress to contain these.

This course should be of interest to students intending to pursue further education or a career in economics, business or finance, government, politics, or foreign affairs, and for those who wish to be well-informed citizens regarding the effects of macroeconomic policies on their lives.

Requirement: Econ 3020 is a required course for the economics major.

Prerequisites: Econ 2020 and Econ 3010 or 3110, or instructor permission.

**Required Textbooks:**Macroeconomics with MyEconLab, 2e, Hubbard, O'Brien, and Rafferty

Notes Outline, available on Canvas under "Files"

Additional readings on Canvas under "Files" or website link given in Notes Outline

**Notes Outline:** An outline of the notes will be available on Canvas under the "Files" tab. Please print them out and bring them to class and take your notes on these. It would be helpful to put them in a binder. You will find that taking notes using the outlines will organize your notes and facilitate and expedite the note-taking process. *It will be difficult to keep up with the notes without the outline.* **Laptops are strongly discouraged for note-taking.** You may also print out the files at the UVA Bookstore Copy Center, Phone: 434-924-0519, Email: [bookcopy@virginia.edu](mailto:bookcopy@virginia.edu). This will cost approximately \$12 unbound.

**MyEconLab:** Canvas should allow accessing MEL directly through Canvas, but I currently am having technical difficulties. Once this has been solved, more info will be posted about registering. If you are still deciding whether to take the course, you can sample the MyEconLab for a short period of time (sufficient to do the sample homework), but will thereafter have to set it up permanently. The last date to permanently enroll is **February 9**. You must have a permanent enrollment for the graded homework, or your grade will not be saved. If you purchase a used text without MyEconLab, you can purchase access separately. *Please use your first and last name to register.* There will be a sample homework due on **Monday, January 30** to accustom you to using MyEconLab. After that, the 6 homework assignments will all be found on MyEconLab. MyEconLab can also be used as a study tool for further questions and explanations. The lowest grade will be dropped (not counting the sample).

**Lectures & Attendance** There will be two lectures a week of one hour and fifteen minutes each; these will not parrot the reading. You are strongly encouraged to attend and participate every day in class. The lecture is available on Zoom and will be recorded for those missing class due to illness/quarantine. Pre-recorded lectures will also be posted (easier to navigate). You will also be graded on participation during your On-Call days (see below). Experience has shown that there is a strong correlation between attendance and performance. **Please be on time, and please stay the duration of the class.** Late entry into and early exit from the classroom are very disruptive. Please **turn off** cell phones when in class. **No texting in class, please.** Anyone texting will have their On-Call grade lowered. [http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#atte\\_in\\_clas](http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#atte_in_clas). Students missing a substantial number of classes unexcused may receive a grade of W up to the withdrawal deadline; thereafter an F.

**Discussion Section** Discussion sections will meet on Thursday evenings. You should be registered for a discussion section, and are expected to attend. The discussion section will be used to go over homework, tests, and any other questions a student may have on the material. Additionally, on five days (1/26, 2/2, 2/16, 3/23, and 4/20), students will work in class on problem sets. You should form a group within your discussion time at the sample problem set (1/26) and exchange contact information, but groups can be flexible for later assignments. For more information, see “Problem Sets” below.

**Office Hours:** In person T TR 3:30-4:30 (please wear a mask) – for questions on class material. I will also hold Zoom office hours for the extra credit introductions at varying times during the semester. TAs will hold office hours on Zoom.

#### **Grades** (posted on Collab)

Final grade = 40% Tests + 7.5% MEL HW + 5% Questions of the Day + 4.5% On-Call + 8% Problem Sets + 35% Final = 100%. Grade distribution: A: 90-100; B: 80-89.9; C: 70-79.9; D: 60-69.9; F: below 60. +/- grades will be distributed within these brackets (ie, 86.7-89.9 = B+, 90-93.3 = A-, 93.4 – 96.6 = A, 96.7 – 100 = A+). There is no rounding for the final grade. **Final grades will only be changed if there has been an error in the calculation. Course work cannot be regraded to get extra points once final grades have been submitted. Grading questions/corrections:** Any questions regarding grading corrections must be done within 3 weeks of the date of the assignment/test. There is no regrading for the final exam.

**Tests:** There will be 2 tests, with each test worth 20% of the final grade. The dates for the tests are: **Test 1 Part I Take-home Math/Graph Fri-Sun 2/24-26** and **Test 1 Part II Multiple Choice in class Tues, 3/1**; and **Test 2 Part I Take-home Math/Graph Fri-Sun, 3/31-4/2** and **Test 2 Part II Multiple Choice in class Tues 4/4**. There will be an untimed open book take-home graph portion with a Friday 10 am-Sun 5 pm window, and a timed closed book multiple choice portion in class on Tuesday. The multiple choice may be either online or on paper. All times are EST. The **final exam** will have a Part I open book take-home math/graph window block from **Wed, 5/3 – Mon 5/8 at 5 PM**. The final exam Part II will be closed book comprehensive multiple choice, and will count 35% towards the final grade (~25% of material from test 1 and test 2, with the remaining from the last material). Final exam Part II is **Friday, 5/12 9 AM – 12 Noon**. I cannot give the test earlier, so plan travel accordingly. Students will need a calculator with exponential functions and scrap paper for the tests. There will be no access to the lecture recordings, slides, and MEL assignments while the closed book multiple choice test window is open, you may not ask another person, and you may not consult outside sources (for example, the internet, other books, etc...). **Tests will be pledged.**  
[http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#fina\\_exam](http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#fina_exam)

**Homework/MEL:** There will be 6 graded and 1 sample homework assignments given on approximately a bi-monthly basis on **MyEconLab**. Students may use books, notes, and calculators. The average of 5 homework assignments will count 7.5% toward the final grade (lowest will be dropped, not including the sample HW). Homework will be posted on MyEconLab, approximately the week before it is due. Late questions may be answered after 11 pm until a deadline announced by email, with a 10% deduction on questions answered after 11 pm. No questions can be answered for credit after the late deadline. A sample homework to accustom students to using the program will be due on **Monday, January 30**. You may use the temporary 2 week subscription to complete the sample, but must have a permanent subscription for the graded MEL. The last signup date for a permanent subscription is Wednesday, February 8. MEL Due dates are **11 pm: Monday, January 30 (Sample); 1) Wednesday, February 8; 2) Monday, February 20; 3) Wednesday, March 15; 4) Wednesday, March 29; 5) Wednesday, April 12; and 6) Monday, May 1.**

**Problem Sets:** During the discussion section, you will work in groups of 4 on problems relating to current material from class, and ask the TA questions. The problem set will be posted on Collab approximately a week ahead of the class, and you should gather data and try the problems on your own before working with the group. Everyone should print out a copy of the problem set. However, each group will turn in one problem set to be graded. ***Make sure the name of everyone in the group is on the problem set that is turned in, providing that everyone has contributed.*** All groups will submit the problem set via email to their TA by **11 pm on Thursdays**. You will email a word doc or pdf of the problem set (photos of graphs can be inserted) to the TA, and cc everyone in your group. The TA will grade the digital copy, and reply all to each group with their graded version. The average of the problems sets will count 8% toward your final grade. The dates for the problems set are: **Thursday, January 26 (Sample); 1) Thursday, February 2; 2) Thursday, February 16; 3) Thursday, March 23; and 4) Thursday, April 20.**

**Question of the Day:** After each class, there will be questions from that day's lecture and possibly the previous lecture posted on Collab under Tests & Quizzes and named after the lecture (ie "QOD Lecture 1"). They will be True/False, Multiple Choice, or Fill in the Blank. A correct answer earns one point; an incorrect attempt earns 0.5 points. These will be due by 11 pm the day before the next lecture. Questions cannot be answered for credit after the due date. The denominator will be smaller than the numerator for calculating the grade, so that it is possible to earn up to 10% extra credit (or 0.5% of total grade). QOD will count 5% towards your final grade. **QOD will be pledged.**

**On-Call:** After the first day of classes, you will be assigned in alphabetic order to 3 "on-call" days throughout the semester. The On-Call schedule will be posted on Collab. You should be prepared to answer questions in class on the material for that week. Preparing the notes outline ahead of time is your best way of preparing for on-call. You will be graded on your participation and preparedness for those days. On-Call will count 4.5% towards your final grade. Other students who are not "on call" for a given day are also welcome to engage in classroom discussions and ask questions. If you find you have other major commitments scheduled (ie, a big test or interview) for your on-call day, please contact me as soon as possible to reschedule. If you reschedule after the on-call date has passed without an excused absence or without contacting me, you will receive a deduction. Please contact me if you have severe difficulty with public speaking for an optional assignment.

**Make-up Test/Homework/Assignment:** If you have prior information about missing a class, homework, or test (such as for athletics, religious holidays, field trips, interviews), please contact me as soon as possible about an alternate date to take the test or turn in a homework, or to complete a make-up test, homework, or assignment. For any excused absence, students must satisfy all three of the following conditions in order to be able to turn in a rescheduled homework or test, or take a make-up test and/or homework without penalty: 1) **excused absence:** a student must have a valid excuse (see [http://college.artsandsciences.virginia.edu/absence\\_regulations](http://college.artsandsciences.virginia.edu/absence_regulations) for a list of approved excuses); 2) **proof:** a student must provide proof of the valid excuse (obituary, athletic schedule, confirmation of visit to health care provider/doctor's note for illness or *pledged* note regarding your illness) within one week of the last date of absence; and 3) **notification:** To be excused the student must notify me in writing (acknowledged e-mail message is acceptable) prior to the date of absence if such notification is feasible. In cases where advance notification is not feasible (e.g. accident, or emergency), please provide notification as soon as feasible. If a student satisfies the three conditions, he/she will be allowed to reschedule or take the make-up test/homework/assignment to count for the missed grade. If a student does not satisfy one or more of the conditions, the student will not be allowed to reschedule or take the makeup and will receive a grade of zero for the missed test/homework/assignment. Students should contact me about an appropriate time to take the make-up test/homework/assignment.

**Collab:** Notes outlines, any additional readings, grades and announcements will be posted on Collab.

**How to Calculate Your Grade:** Express your grades as a decimal (78% = .78): (Average of MEL dropping the lowest grade x 7.5 pts) + (PS#1 \_\_\_\_\_ x 2 pts) + (PS#2 \_\_\_\_\_ x 2 pts) + (PS#3 \_\_\_\_\_ x 2 pts) (PS#4 x 2 pts) + (Test 1 \_\_\_\_\_ x 20 pts.) + (Test 2 \_\_\_\_\_ x 20 pts.) + (QOD \_\_\_\_\_ x 5 pts) + (On-Call) + (FINAL \_\_\_\_\_ x 35 pts.) = \_\_\_\_\_ / (Total possible pts earned so far \_\_\_\_\_) x 100 = GRADE

**Extra Credit:** There are 3 opportunities for extra credit: 1) Up to 0.5 points on final grade from QOD; 2) 0.25 points on final grade from completing course evaluation; 3) 0.25 points from attending one Zoom office hours meeting to introduce yourself.

**Final Grade:** Your final grade will be comprised of your average of your top 5 MEL homeworks, 4 problem sets, 2 tests, daily quiz average, on-call grade, and final. Your letter grade is assigned depending on how it falls within the distribution outlined above. Once your final grade has been calculated, I cannot regrade work to find extra points, and I cannot and do not change grades unless there is an error in the calculation or the reporting of a grade. I do not offer extra credit to one student that is not offered to the entire class as a whole during the course of the semester.

[http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#grad\\_syst](http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#grad_syst)

**Extensions/Incompletes:** Unless authorized by the dean's office, students must complete all course work before taking the final examination. **Instructors are not authorized to extend the time for completion of course work without the dean's approval.** [http://artsandsciences.virginia.edu/college/grade/grade\\_system.html#a4](http://artsandsciences.virginia.edu/college/grade/grade_system.html#a4)

**Extra Help:** I encourage you to see me as early as possible if you feel you are falling behind. Tutors are also available through the Economics Department. <http://artsandsciences.virginia.edu/economics/undergrad/tutoring/index.html>

*The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. For more specific information about services and policies, including guidelines and forms for documentation, see the SDAC website at <http://www.virginia.edu/studenthealth/sdac/sdac.html>. The SDAC can be reached by telephone at: 434-243-5180 (voice); 434-465-6579 (video phone); and 434-243-5188 (fax). [http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#acco\\_for\\_stud](http://records.ureg.virginia.edu/content.php?catoid=27&navoid=703#acco_for_stud)*

**Honor Code:** Students may work together on problem sets, which do not need to be pledged. Students may refer to books and notes for the MEL homework, which is also not pledged. Tests and the Question of the Day should be each student's individual effort, and will be pledged. For additional information, please visit: <http://records.ureg.virginia.edu/content.php?catoid=27&navoid=700>.

For more information on plagiarism, please visit: <http://www.virginia.edu/honor/documents/PlagiarismSupplementFINAL.pdf>  
**Pledge: On all tests & papers, the student shall sign the following:** "On my honor as a student at UVA, I have neither given nor received aid on this exam/paper."

**Tips for success:** Economics is considered quite a difficult course because it involves abstract thinking. You will need to spend considerable time preparing for class, reviewing your notes, and practicing problems.

How do you know when you know the material?

- 1) **The standard of "knowing" is the ability to explain to others, not to just understand.**
- 2) Deep knowledge means understanding the facts and conclusions (the forest and the trees) and how they are interrelated.
- 3) Strive for flexible knowledge over rote memorization.
- 4) Don't just be *familiar* with the subjects and vocabulary; develop an ability to precisely recall the material.

How to study:

- 1) Don't cram. Study over time by keeping up with the reading and exercises.
- 2) Read or skim chapters before coming to class, then reread after class.
- 3) Read actively, by taking notes and making an outline, and questioning yourself as you read. Note what you don't understand.
- 4) Stay focused and take good notes in class, and try to follow the logic of the explanations.
- 5) Review your notes after class, and before the next class.
- 6) Memorize vocabulary, but make sure you understand and can apply it.
- 7) Be able to replicate graphs (shapes, labeling) and understand them, and apply them when a variable changes.
- 8) Work through lots of problems such as chapter problems and homework, and ALWAYS draw a picture/graph when you can!
- 9) Find a study partner or study group and explain concepts to each other.
- 10) Ask me questions, both in class and at office hours, or via email. **There is no such thing as a dumb question.**

What you can expect in class:

You will have an opportunity to engage in discussion and classroom examples, but will also be taking notes and learning models. Students who are "on call" should be prepared to answer questions on vocabulary, on the reading for that day (both the textbook, and any additional material), on any questions given in the notes outline, and have a preliminary understanding of graphs from the textbook. Other students who are not "on call" are also welcome to engage in classroom discussions and ask questions. You will take notes on the notes outline from Power Point slides, my explanations, and from student answers.

### Approximate Schedule

Below is an *approximate* schedule for topics this semester. Material will likely overlap some days. Look to the notes outlines for actual material covered in class, and refer to where we ended last class. *We will deviate from this schedule:* I will post on Collab what to prepare for in each class, and you are welcome to email me.

**Dates in Bold are Due Dates for Assignments or Test Dates (Red for MEL, Green for Problem Sets, Black for Tests, Blue for Add/Drop/Withdraw Deadlines)**

### Part I: Intro, Measurement, & Growth

Date	Lecture	Topic	Readings
Thurs 1/19	1	Go Over Syllabus Intro Material: What Macroeconomics is About	Ch. 1.1: 1-14
<b>Th 1/19</b>		<b>No Discussion</b>	<b>No Discussion</b>
Tues 1/24	2	Measuring the Macroeconomy: GDP <b>Start On Call Round I</b>	Ch. 2.1: 25-31 <a href="http://www.slate.com/articles/video/slate_v/2011/10/gdp_standard_measure_of_our_economy_but_what_exactly_is_it.html">http://www.slate.com/articles/video/slate_v/2011/10/gdp_standard_measure_of_our_economy_but_what_exactly_is_it.html</a> "How are the NIPA estimates Used" (Collab) <a href="http://www.npr.org/blogs/money/2012/03/14/148460268/what-america-sells-to-the-world">http://www.npr.org/blogs/money/2012/03/14/148460268/what-america-sells-to-the-world</a>
Thurs 1/26	3	Measuring the Macroeconomy: Circular Flow, Nominal vs. Real	Ch. 2.2: 31-44 <b>QOD starts (posted on Collab)</b>
<b>Th 1/26</b>	<b>DIS 1</b>	<b>Sample Problem Set due via email by 11 pm</b>	<b>Sample Problem Set due via email to TA by 11 pm</b>
<b>Mon 1/30</b>		<b>Sample MEL due 11 pm</b>	<b>Sample Homework Due by 11 pm on MEL</b>
Tues 1/31	4	Nominal vs. Real, Inflation & Interest Rates,	Ch. 2.3: 44-50 Podcast: "The Price of Lettuce in Brooklyn"; Article: Do We Need Google To Measure Inflation? (Collab under Resources/Readings/Part I). <a href="http://www.nytimes.com/2016/01/31/world/asia/myanmar-logging-elephants-unemployment.html">http://www.nytimes.com/2016/01/31/world/asia/myanmar-logging-elephants-unemployment.html</a>
<b>Wed 2/1</b>		<b>Last Day to Add</b> <b>Last day to cancel Inclusive Access</b>	<b>Last Day to Add</b> <b>Last day to cancel Inclusive Access</b>
<b>Thurs 2/2</b>	5	Unemployment  The Aggregate Production Function <b>Last Day to Drop</b>	Ch 2.4: 51-53 Podcast: "Looking for Work - A History of Unemployment" (Collab under Resources/Readings/Part I). Ch. 5.1: 147-152 <b>Last Day to Drop</b>
<b>Th 2/2</b>	<b>DIS 2</b>	<b>Problem Set 1 via email to TA by 11 pm</b>	<b>Problem Set 1 via email to TA by 11 pm</b>
Tues 2/7	6	A Model of Real GDP in the Long-Run	Ch. 5.1 & 5.2: 152-161 <a href="http://www.youtube.com/watch?v=P6CfjYvXno0&amp;feature=related">http://www.youtube.com/watch?v=P6CfjYvXno0&amp;feature=related</a> <a href="http://www.youtube.com/watch?v=S4KrIMZpwCY">http://www.youtube.com/watch?v=S4KrIMZpwCY</a>
<b>Wed 2/8</b>		<b>MEL1 Due 11 pm</b> <b>Last day to register for MyEconLab</b>	<b>MEL1 Due 11 pm</b> <b>Last day to register for MyEconLab</b>
Thurs 2/9	7	Why Real GDP per worker varies among countries	Ch. 5.3: 161-164
<b>Thurs 2/9</b>	<b>DIS 3</b>	<b>Go over MEL1 and PS1</b>	<b>Go over MEL1 and PS1</b>
Tues 2/14	8	Total Factor Productivity & Labor Productivity	Ch. 5.4: 164-170 + "GDP per hour worked" (Collab)
Thurs 2/16	9	Total Factor Productivity & Labor Productivity	GDP per hour worked" (Collab)

**Part II: Balanced Growth and Markets (Financial Market, Factor Markets)**

Date	Lecture	Topic	Readings
Thurs 2/16	9	<b>Start Part II Material (not on Test 1)</b> Solow Growth Model	<b>Start Part II Material (not on Test 1)</b> Ch. 6.1: 176-80, Appendix 6A: 212-215
<b>Th 2/16</b>	<b>DIS 4</b>	<b>Problem Set 2 via email to TA by 11pm</b>	<b>Problem Set 2 via email to TA by 11 pm</b>
<b>Mon 2/20</b>		<b>MEL2 Due 11 pm</b>	<b>MEL2 Due 11 pm</b>
T 2/21	10	Labor Force Growth & the Steady State <b>Start On Call Round II</b>	Ch. 6.2: 180-190
<b>Wed 2/22</b>		<b>Review Session for Take -Home Math/Graph TBA</b>	<b>Review Session for Take -Home Math/Graph TBA</b>
Th 2/23	11	Technological Change; Balanced Growth Path, Convergence, and Long-Run Equilibrium; Policies to Promote Growth; Using Real GDP per capita as a Standard of Living	Collab Reading pp 162-164 Ch. 6.4-6.5: 193-206 Additional Readings on Collab
<b>Th 2/23</b>	<b>DIS 5</b>	<b>Review/Go over PS and MEL</b>	<b>Review/Go over PS and MEL</b>
<b>F 2/24 – Sun 2/26</b>	<b>Test 1 Part I</b>	<b>Test 1 Part I Take-home Math/Graph Opens. Ch 1,2,5. Due Sunday by 5 pm on Collab.</b>	<b>Test 1 Part I Take-home Math/Graph Opens. Ch 1,2,5. Due Sunday by 5 pm on Collab</b>
<b>Mon 2/27</b>		<b>Review Session TBA for Test 1 Part II</b>	<b>Review Session for Test 1 Part II TBA</b>
<b>Tues 2/28</b>	<b>Test 1 Part II</b>	<b>Test 1 Part II Multiple Choice Ch 1,2,5</b>	<b>Test 1 Part II Multiple Choice Ch 1,2,5</b>
Thurs 3/2	12	The Financial System: Overview & the Role of the Central Bank Ch 3.3: Calculating Interest Rates; The Market for Money; Different Interest Rates	Ch. 3.1: 64-72 On Your Own Ch. 3.3: 90-95, 87-90 Ch 3.3: 95-99
<b>Th 3/2</b>		<b>NO DISCUSSION</b>	<b>NO DISCUSSION</b>
<b>T &amp; Th 3/7 &amp; 9</b>		<b>Spring Break ☺</b>	<b>Sleep in! Relax!</b>
<b>Sun 3/12</b>		<b>Time Change – DST begins (spring forward)</b>	<b>Time Change – DST begins (spring forward)</b>
Tues 3/14	13	Ch. 4: The Loanable Funds Model Ch 3.2 Financial Intermediaries, Central Bank Ch 3.2 Financial Crisis	Ch. 4.4: 130-136; Ch. 3.1-3.2: 73-82 Podcast (on Collab/Resources/Readings/Part II) on "The Week America's Economy Almost Died."
<b>Wed 3/15</b>		<b>MEL3 Due 11 pm</b> <b>Last Day to Withdraw</b>	<b>MEL3 Due 11 pm</b> <b>Last Day to Withdraw</b>
Thurs 3/16	14	Ch 3.2 Financial Crisis: Market Failure & Response Ch. 7: Money & Inflation: (OYO) What is Money, and why do we need it?	Ch. 3.2 pp 83-87 "Planet Money: Anatomy of a Bank Takeover" (Collab/Readings) Ch. 7 + Appendix: Ch 7.1: 216-223 On Your Own
<b>Th 3/16</b>	<b>DIS 6</b>	<b>Go Over Test 1</b>	<b>Go Over Test 1</b>
Tues 3/21	15	The Federal Reserve & the Money Supply Appendix: Money Multiplier	Ch. 7.2: 224-227 Ch. 7.Appendix: 255-259
Thurs 3/23	16	The Quantity Theory of Money & Inflation The Relationship Amongst the Growth Rate of Money, Inflation, and Nominal Interest Rates Costs v Benefits of Inflation  The Costs of Inflation (OYO) Hyperinflation & Its Causes (OYO)	Ch. 7.3: 227-232 Ch. 7.4: 232-236 Ch. 7.5: 238, 242-43 + "Low or No Inflation: (on Collab)  Ch. 7.5: 236-243 (OYO) Ch. 7.6: 243-245 (OYO)
<b>Th 3/23</b>	<b>DIS 7</b>	<b>Problem Set 3 via email to TA by 11 pm</b>	<b>Problem Set 3 via email to TA by 11 pm</b>

**Part III: Goods Market & Short-Run Issues**

Date	Lecture	Topic	Readings
<b>Tues 3/28</b>	<b>17</b>	<b>Start Part III (not on Test 2)</b> The Labor Market Categories of Unemployment (OYO) The Natural Rate of Unemployment Why does unemployment exist?	<b>Start Part III (not on Test 2)</b> Ch. 8.1: 260-268 Ch. 8.2: 269-275 (OYO) Ch. 8.3: 275-284 Ch. 8.4: 284-287 <b>Last Day for Test 1 questions</b>
<b>Wed 3/29</b>		<b>MEL4 due 11 pm</b> <b>Review Session for Take -Home Math/Graph TBA</b>	<b>MEL4 due 11 pm</b> <b>Review Session for Take -Home Math/Graph TBA</b>
Thurs 3/30	18	Consumption: Intertemporal Choice Factors that determine Consumption <b>Start On Call Round III</b>	Ch. 16.1: 573-575 16.2: 576-591
Th 3/30	Disc 8	Review/Go over MEL3&4 and PS3	Review/Go over MEL3&4 and PS3
<b>F 3/31 – Sun 4/2</b>	<b>Test 2 Part I</b>	<b>Test 2 Part I Take-home Math/Graph Opens.</b> Ch 6,3,4.4,7. Due Sunday by 5 pm on Collab.	<b>Test 2 Part I Take-home Math/Graph Opens.</b> Ch 6,3,4.4,7. Due Sunday by 5 pm on Collab
<b>Mon 4/3</b>		<b>Review Session TBA for Test 2 Part II</b>	<b>Review Session TBA for Test 2 Part II</b>
<b>Tues 4/4</b>	<b>TEST 2 Part II</b>	<b>TEST 2 Part II Multiple Choice</b>	<b>Test 2 Part II Multiple Choice: Ch. 6, 3, 4.4, 7</b>
Thurs 4/6	19	Factors that Determine Private Investment	Ch. 16.3: 591-603
Th 4/6		No Discussion	No Discussion
Tues 4/11	20	Business Cycles: The Short-Run & Long-Run in Macroeconomics What happens during a business cycle?	Ch. 9.1: 294-301 Ch. 9.2: 301-315
<b>Wed 4/12</b>		<b>MEL5 Due by 11 pm</b>	<b>MEL5 Due by 11 pm</b>
Thurs 4/13	21	Shocks and Business Cycles The Expenditure Multiplier A Simple Model of the Business Cycle: Aggregate Demand and Aggregate Supply	Ch. 9.3: 315-319 Ch. 9.Appendix: 331 Ch. 9.4: 319-324
Thurs 4/13	DIS 9	Go over Test 2	Go over Test 2
Tues 4/18	22	Explaining Aggregate Demand: The IS-MP Model The IS Curve	Ch. 10.1: 332-345
Thurs 4/20	23	The MP Curve Equilibrium in the IS-MP Model	Ch. 10.2: 346-353 Ch. 10.3: 353-363
Thurs 4/20	DIS10	Problem Set 4 via email to TA by 11 pm	Problem Set 4 via email to TA by 11 pm
Tues 4/25	24	The IS-MP Model & the Phillips Curve The US Economy 2007-09	Ch. 11.1: 380-395 Ch. 11.2: 396-398 Skip Ch. 11.3
Thurs 4/27	25	Monetary Policy in the Short Run: (OYO) The Federal Reserve System (OYO) The Goals of Monetary Policy Monetary Policy Tool Monetary Policy and the IS-MP Model Limitations of Monetary Policy (OYO) Central Bank Independence	Ch. 12.1: 412-416 On Your Own Ch. 12.2: 416-418 On Your Own Ch. 12.3: 418-423 Ch. 12.4: 424-435 Ch. 12.5: 435-444 Ch. 12.6: 444-447 On Your Own Skip Ch. 12.7
Th 4/27	DIS 11	Review	Review
<b>Mon 5/1</b>		<b>MEL6 Due by 11 pm</b>	<b>MEL6 Due by 11 pm</b>
Tues 5/2	26	Fiscal Policy in the Short Run: The Goals & Tools of Fiscal Policy Budget Deficits, Discretionary Fiscal Policy, and Automatic Stabilizers The Short-Run Effects of Fiscal Policy <b>Make-up On Call</b> <b>Review Session TBA</b>	Ch. 13.1: 461-467 Ch. 13.2: 468-476  Ch. 13.3: 476-487 <b>Last Day for Test 2 questions</b> <b>Review Session TBA</b>
<b>Wed 5/3</b>		<b>Final Exam Part I Opens</b>	<b>Final Exam Part I Opens</b>
<b>Mon 5/8</b>		<b>Final Exam Part I Due on Collab 5 PM</b>	<b>Final Exam Part I Due on Collab 5 PM</b>
<b>Fri 5/12</b>		<b>Final Exam Part II 9 AM – 12 NOON</b>	<b>Final Exam Part II 9 AM – 12 NOON</b>

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