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 10th and ends on August 11th. 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 23rd, July 7th, July 21st, and August 4th). In addition, two quizzes will be due no later than July 12th and August 11th.

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 3rd and August 4th.

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 turns 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 15th and 16th
Finish Module I and Module II by June 16th

**Week 2:**
Online office hours: June 22nd and June 23rd
Finish Module III and by June 23rd
Homework #1 (Modules I, II and III) due *no later than* midnight June 23rd (EDT)

**Week 3:**
Online office hours: June 29th and June 30th
Finish Module IV by June 30th

July 1st - July 5th (Independence Day break)

**Week 4**
Online office hours July 6th and July 7th
Finish Module V by July 7th
Homework #2 (Modules IV and V) due *no later than* midnight July 7th (EDT)

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

**Week 5**
Online office hours July 13th and 14th
Finish Module VI by July 14th

**Week 6**
Online office hours July 20th and July 21st
Finish Module VII and VIII by July 21st
Homework #3 (Modules VI-VIII) due *no later than* midnight July 21st (EDT)

**Week 7**
Online office hours July 27th and July 28th
Finish Module IX and X by July 28th
Homework #4 (Modules IX and X) due *no later than* midnight August 4th (EDT)

**Week 8**
Online office hours August 3rd and 4th
Finish Module XI by August 4th

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

**August 22nd:** Final exam covering Modules I-XI