



**Subject: Economics & Business**

**Number: EBG512**

**Course Title: Macroeconomics**

**Section: A**

**Semester/year: Fall 2014**

**Instructor or Coordinator:** Professor John Cuddington

**Contact information (Office/Phone/Email):** EH 325, 303-273-3150, jcudding@mines.edu

**Office hours:** Mon/Wed 3:00-5:30 pm

**Class meeting days/times:** Mon/Wed 11:00 am - 12:15 pm (time changed)

**Class meeting location:** EH 211

**Web Page/Blackboard link (if applicable):** Blackboard website

**Teaching Assistant (if applicable):** n/a

**Contact information (Office/Phone/Email):** n/a

**Instructional activity:** 2.5 hours lecture/week \_\_\_ hours lab \_\_\_ semester hours

**Course designation:** \_\_\_ Common Core \_\_\_ Distribute Core \_\_\_ Major requirement  Elective  
\_\_\_ Other (please describe \_\_\_\_\_)

**Course description from Bulletin:**

EBG512 MACROECONOMICS This course will provide an introduction to contemporary macroeconomic concepts and analysis. Macroeconomics is the study of the behavior of the economy as an aggregate. Topics include the equilibrium level of inflation, interest rates, unemployment and the growth in national income. The impacts of government fiscal and monetary policy on these variables and the business cycle are studied, with particular attention to the effects on the mineral industry.

**Course Description – Further Comments**

Graduate students will also learn how to: (i) retrieve and analyze macroeconomic and financial data from the FRED (Federal Reserve Bank of St. Louis) and other databases, (ii) build simple macro models and (iii) carry out policy simulation analysis. The course is taught at the intermediate level and uses appropriate technical tools including various Appendices from the textbook.

Prerequisites: MEE program prerequisites: MAT323/530 (Prob/Stats), MACS111 (Calculus I), and EBG311 (Principles of Microeconomics).

**Textbook and/or other required materials:**

**Required text:** Williamson, Stephen D. 2014. *Macroeconomics*. 5<sup>th</sup> edition. Pearson Education. You may buy or rent the hard copy or rent the online version.

**Other required supplemental information:**

Macro data from the Federal Reserve Bank of St. Louis (FRED) cover more than 217,000 series.

**Recommended Software** – Excel or other spreadsheet program

**More Advanced Textbook [Optional]**

Romer, David. 2012. *Advanced Macroeconomics*. Fourth edition. McGraw-Hill.

This book is more advanced; Ph.D. students with an interest in macroeconomics will want to have a copy.

**Student learning outcomes: At the conclusion of the class students should have a good understanding of**

1. Macroeconomic data including national income and balance of payments accounts.
2. Consumption, production and investment behavior and their underlying economic determinants.
3. How government spending, taxation and deficits affect national economies.
4. How monetary policy affects national economies.
5. The interactions between the mineral and energy sectors and the macro economy.

**Brief list of topics covered:**

1. As stated in Course Bulletin above.

**Policy on academic integrity/misconduct:**

The Colorado School of Mines affirms the principle that all individuals associated with the Mines academic community have a responsibility for establishing, maintaining an fostering an understanding and appreciation for academic integrity. In broad terms, this implies protecting the environment of mutual trust within which scholarly exchange occurs, supporting the ability of the faculty to fairly and effectively evaluate every student’s academic achievements, and giving credence to the university’s educational mission, its scholarly objectives and the substance of the degrees it awards. The protection of academic integrity requires there to be clear and consistent standards, as well as confrontation and sanctions when individuals violate those standards. The Colorado School of Mines desires an environment free of any and all forms of academic misconduct and expects students to act with integrity at all times.

Academic misconduct is the intentional act of fraud, in which an individual seeks to claim credit for the work and efforts of another without authorization, or uses unauthorized materials or fabricated information in any academic exercise. Student Academic Misconduct arises when a student violates the principle of academic integrity. Such behavior erodes mutual trust, distorts the fair evaluation of academic achievements, violates the ethical code of behavior upon which education and scholarship rest, and undermines the credibility of the university. Because of the serious institutional and individual ramifications, student misconduct arising from violations of academic integrity is not tolerated at Mines. If a student is found to have engaged in such misconduct, sanctions such as change of a grade, loss of institutional privileges, or academic suspension or dismissal may be imposed.

The complete policy is [online](#).

**Grading Procedures:** (Note: all courses must have a published, transparent grading policy that students can use to gauge their performance and progress in the class through the course of the semester.)

<i>Homework, Attendance, and Participation</i>	<i>20%</i>
<i>Midterm Exam 1</i>	<i>25%</i>
<i>Midterm Exam 2</i>	<i>25%</i>
<i>Final Exam</i>	<i>30%</i>

**Coursework Return Policy:** *(Note: all courses must have a published, good-faith policy defining when homework, exams, and other graded coursework will be returned. In general most work should be returned to students within two weeks, along with suitable materials/feedback that enable students to understand how to improve their learning/performance.)*

**Absence Policy** (e.g., Sports/Activities Policy): Please complete assignments before due dates.

**Homework:**

- Homework must be turned in before it is due to be graded – PLAN AHEAD.
- Some homework will involve the use of Excel spreadsheets an/or the EViews econometrics program.
- Exams: If you will be absent during a scheduled exam, you should schedule a make-up time BEFORE YOU LEAVE.

**Common Exam Policy** (if applicable): n/a

**Detailed Course Schedule:** *(Note: it is recommended that the syllabus provide a detailed week-by-week schedule of course activities, including readings, exam and project due dates, etc., as a common courtesy to students.)*

## **WEEK-BY-WEEK SCHEDULE**

### **Introduction and Measurement Issues**

All references are to S.D. Williamson, unless otherwise stated

1. *Ch.1: Introduction*
2. *Ch.2: Measurement*
3. *Ch.3: Business Cycle Measurement*

### **A One-Period Model of the Macroeconomy**

4. *Ch.4. Consumer and Firm Behavior: The Work-Leisure Decision and Profit Maximization*
5. *Ch.5: A Closed-Economy One-Period Macroeconomic Model*
  - a. *Ch.4 Appendix and Ch.5 Appendix*
6. *Midterm 1*

### **Savings, Investment, and Government Deficits**

7. *Ch.9: A Two-Period Model: The Consumption-Saving Decision and Credit Markets*
8. *Ch.11: A Real Intertemporal Model with Investment (only one class this week)*
9. *Ch.9 Appendix and Ch.11 Appendix; Catch up*

### **Money and Business Cycles**

10. *Ch.12: Money, Banking, Prices, and Monetary Policy*
11. *Midterm 2*

### **International Macroeconomics**

12. *Ch.15: International Trade in Goods and Assets*
13. *Ch.16: Money in the Open Economy*

### **Mineral and/or Energy Sectors and the Macroeconomy**

14. *Readings (See Blackboard course site)*
15. *Thanksgiving*
16. *Review for Final Exam*