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1. Course Description:

This course in macroeconomics will help you understand how economies function, both in the national and international contexts. Such an understanding should allow you to make sound and informed business decisions. Economics is one of the foundations for other functional areas within business, such as Finance and Marketing, and understanding economic concepts will help you understand the issues involved in these more specialized fields.

We will focus on the fundamental issues of macroeconomics, such as long run economic growth, inequality, inflation, unemployment, monetary and fiscal policy, short run fluctuations of the economy, savings and investment in the open economy, and exchange rate determination. We will use macroeconomic tools to analyze how government policy affects the economy, how various disturbances affect the economy, and how economic news affects interest rates and asset prices. Note that we will spend a considerable amount of time learning macroeconomic theories since those tools are very important in analyzing the real-world events in a sensible way.

2. Course Learning Objectives:

The primary goal of this course is to enable you to make informed judgments about whether the economic environment in a given country makes it a good place to do business.

At the end of the course you will be able to:

- Apply graphical and algebraic tools to analyze various economic models and address questions in economics.
- Apply the basic demand and supply model to calculate equilibrium wage rates, employment, interest rates and investment in an economy.
- Use the neoclassical growth model to measure and forecast GDP in different economies.

- Find sources of macroeconomic data, manipulate them, and understand how they have behaved historically and how they compare across countries.
- Understand and critically evaluate the news about the macro economy in the financial press.
- Evaluate the effects of government policy such as changes in tax rates or money supply on individuals, firms, and the economy.
- Collaborate with others to judge news about the U.S. and world economy.

**ALIGNMENT WITH MARSHALL SCHOOL OF BUSINESS PROGRAM
LEARNING GOALS**

Learning Goals: In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Description	Course Emphasis
1	Our graduates will understand types of markets and key business areas and their interaction <i>to effectively manage different types of enterprises</i>	High
2	Our graduates will develop a global business perspective. They will understand how local, regional, and international markets, and economic, social and cultural issues impact business decisions <i>so as to anticipate new opportunities in any marketplace</i>	High
3	Our graduates will demonstrate critical thinking skills <i>so as to become future-oriented decision makers, problem solvers and innovators</i>	High
4	Our graduates will develop people and leadership skills to promote their effectiveness as <i>business managers and leaders</i> .	Medium
5	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities and aspire to add value to society	Low
6	Our graduates will be effective communicators <i>to facilitate information flow in organizational, social, and intercultural contexts</i> .	Medium

3. Prerequisites:

ECON 351 (Microeconomics for Business) or equivalent. I will assume that you are familiar with algebra and **calculus**. I will also assume that you can use excel.

4. Readings:

Text: Andrew B. Abel, Ben S. Bernanke, and Dean Croushore, Macroeconomics, eighth edition.

Slides: I will post my relevant slides ahead of each class .

5. Attending Class:

You are in college. You are grownups. I will not take attendance. However, if you don't come to class then you will miss the key learning experience of this class. And I will call your parents!

6. Class Etiquette:

This is a large class and I need your cooperation in ensuring orderly conduct of the lectures. **Please turn your cellular phones off before entering the class.**

7. Course Grading:

There will be one final exam, worth 100%. **No makeup exams will be given.** A grade of zero will be assigned for missing it (if you are not satisfied with your grade on an exam, you can appeal to me in writing, within one week after the exam is handed out).

We will have two "practice exams" throughout the semester that will give you feedback on your understanding of the material way ahead of the actual final exam. I will also give you practice homework every other week that will assure you get consistent feedback.

8. Marshall Tutoring Program

The Marshall Office of Undergraduate Advising offers Peer Tutoring as a supplement to classroom instruction. Marshall Peer Tutors are able to assist students in understanding and clarifying difficult concepts, but tutoring sessions

are effective only if students regularly attend class and actively engage in the process of thinking critically about the course content.

Marshall Peer Tutoring services are available for core courses that are traditionally challenging, including ECON 351x, ECON 352x, BUAD 310, and BUAD 306. Tutoring will begin on the fourth week of classes. It is offered in a group format and is designed to review and discuss content covered in the previous week and/or the current week.

Group tutoring sessions do not require an appointment. Simply drop by the Experiential Learning Center (ELC) in the basement of Bridge Hall. For the schedule and more information on tutoring, see <http://students.marshall.usc.edu/undergrad/advising/> or contact the Marshall Office of Undergraduate Advising in BRI-104, by phone 213-740-0690, or email undergrad.advising@marshall.usc.edu.

- **Academic Conduct**

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage <https://sarc.usc.edu/reporting-options/> describes reporting options and other resources.

- **Support Systems**

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students. *The Office of*

Disability Services and Programs

http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html

provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu/> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

Date		Topic		Chapter
23-Aug		Introduction		
25-Aug		Measurement of Economic Performance		2
30-Aug		Production and Long Run Economic Growth		3,6
1-Sep		Production and Long Run Economic Growth		3,6
6-Sep		Production and the Labor Market		3
8-Sep		Production and the Labor Market		3
13-Sep		Consumption and Investment		4
15-Sep		Consumption and Investment		4
20-Sep		Consumption and Investment		4
22-Sep		PRACTICE MIDTERM I		
27-Sep		Business Cycle facts		8
29-Sep		Business Cycle theory I		10
4-Oct		Business Cycle theory I		10
6-Oct		Business Cycle theory I		10
11-Oct		Money and Prices		7
13-Oct		Money and Prices		7
18-Oct		Money and Prices		7
20-Oct		PRACTICE MIDTERM II		
25-Oct		Business Cycle theory II		9,11
27-Oct		Business Cycle theory II		9,11
1-Nov		Business Cycle theory II		9,11
3-Nov		Government Policies		12,14,15
8-Nov		Government Policies		12,14,15
10-Nov		Government Policies		12,14,15
15-Nov		Government Policies		12,14,15
17-Nov		Balance of Payments		5
22-Nov		Balance of Payments		5
29-Nov		Exchange Rate		13
1-Dec		Exchange Rate		13
All details in this schedule are subject to change with adequate notice.				