

Macroeconomic Principles

Prof. Dillon Tauzin

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Office Hours: Mon and Tues 12-1pm

Office location: Buchanan Hall D101

TR: 9am-10:15am

Classroom: Robinson BIII

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Macroeconomics is concerned with the “big” questions in economics. Adam Smith’s seminal question was a macroeconomic question: Why are some nations rich and others poor?

Macroeconomics is a conversation with little consensus. Unlike microeconomics, which enjoys general agreement about its fundamental concepts, macroeconomics is diverse in approach. What is agreed upon is that macroeconomic phenomena like growth, inflation, and employment are based in human decision-making.

In this class, we will be concerned with economic phenomena that occur at a large scale. National economic growth, inflation, unemployment, and other macroeconomic phenomena affect not just individual markets, but entire economic systems. As immigration and international trade expand opportunities for mutually beneficial exchange, the scope of such effects continues to increase.

If you wish to critically engage ideas that have enormous implications for issues of poverty and inequality, consider this class a chance to develop the tools you’ll need.

Course objectives:

- You will understand the major concepts in macroeconomics and their microeconomic foundations.
- You will form a mastery of the language used in macroeconomic debates and discussions.
- You will become comfortable reading and interpreting weekly news on macroeconomic events.
- You will be able to recognize and refute common fallacies in macroeconomic discussions.

Texts

Required:

Cowen, Tyler and Alex Tabarrok. *Modern Principles: Macroeconomics 4e*

Hazlitt, Henry. *Economics in One Lesson* (Publicly available online)

Other readings will be made available through Blackboard.

Assessment

The grade distribution is as follows.

- 20% Reflections
- 20% Book Review
- 20% Participation
- 20% Midterm Exam
- 20% Final Exam

Grades are assigned according to the following scale.

A	90-100
B	80-89.9
C	70-79.9
D	60-69.9
F	< 60

Tests will be based primarily on lecture material, but the student is responsible for any assigned reading. The participation grade will be based on a combination of attendance, class engagement, and familiarity with the assigned reading. If circumstances require missing a lesson, I strongly recommend making use of office hours to keep up with the material. Students will be required to turn in weekly assignments reflecting on weekly events. Details about this assignment will be given in class. Lastly, the student is required to read a book on macroeconomics and turn in a short review. Details about this assignment will be given in class.

Schedule*

Units	Date	Topics	Readings (Cowen and Tabarrok)	Assignment
0	Jan 21	Syllabus day		
1	Jan 23	The Big Ideas	CH1	
2	Jan 28	Comparative Advantage	CH2	#1
3	Jan 30	Supply and Demand	CH3	
4	Feb 4	Equilibrium and Prices	CH4	#2
5	Feb 6	Price Controls	CH5	
6	Feb 11	Measuring Progress	CH6	#4
7	Feb 13	The Wealth of Nations	CH7	
8	Feb 18	Growth, Capital, and Ideas	CH8	#5
9	Feb 20	Savings and Investment	CH9	
10	Feb 25	Stock Markets	CH10	#6
11	Feb 27	Unemployment	CH11	
12	Mar 3	Review	Review	
13	Mar 5	Midterm		
	Mar 10	Spring Break		
	Mar 12	Spring Break		
14	Mar 17	The Quantity Theory of Money	Ch12	#7

15	Mar 19	Aggregate Demand and Supply	CH13	
16	Mar 24	Transmission and Amplification	CH14	#8
17	Mar 26	The Federal Reserve System	CH15	
18	Mar 31	Monetary Policy	CH16	#9
	Apr 2	No Class		
19	Apr 7	Federal Budget	CH17	#10
20	Apr 9	Fiscal Policy	CH18	
21	Apr 14	International Trade	CH19	#11
22	Apr 16	International Finance	CH20	
23	Apr 21	Political Economy and Public Choice	CH21	#12
23	Apr 23	The Debate: Growth		
24	Apr 28	The Debate: Business Cycles		
25	Apr 30	Review		Book Review Due
	May 7	Final Exam		

*This schedule is a road map for our class, and is subject to revision as the class progresses. Other readings will be announced in class, and the student is responsible for those assignments.

Policies

- Last day to add classes: January 28
- Last day to drop with no tuition penalty: February 5
- Final drop deadline w/ 50% tuition penalty: February 11
- Selective Withdrawal Period: February 25 to Mar 30

Students are responsible for regularly checking their GMU email accounts. Any announcements not made in class will be delivered here.

The final exam will take place on Thursday 5/7 at 7:30am in accordance with the university calendar. No make-up exams will be given except under extreme

circumstances. In accordance with university policy, if you have three or more exams on the date of the final examination, you may reschedule it. To do so, you must contact me no less than one week prior to the final exam date.

If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Resources at 703.993.2474. All academic accommodations must be arranged through that office.

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. *Cheating, plagiarism, lying, and stealing are all prohibited. All violations of the Honor Code will be reported to the Honor Committee.*

George Mason University is committed to providing a learning, living and working environment that is free from discrimination and a campus that is free of sexual misconduct and other acts of interpersonal violence in order to promote community well-being and student success. We encourage students who believe that they have been sexually harassed, assaulted or subjected to sexual misconduct to seek assistance and support. [University Policy 1202: Sexual Harassment and Misconduct](#) speaks to the specifics of Mason's process, the resources, and the options available to students.

As a faculty member and designated "Responsible Employee," I am required to report all disclosures of sexual assault, interpersonal violence, and stalking to Mason's [Title IX Coordinator](#) per [university policy 1412](#). If you wish to speak with someone confidentially, please contact the [Student Support and Advocacy Center](#) (703-380-1434) or [Counseling and Psychological Services](#) (703-993-2380). You may also seek assistance from [Mason's Title IX Coordinator](#) (703-993-8730; titleix@gmu.edu).