

PRINCIPLES OF MACROECONOMICS

LIBERAL ARTS VERSION

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Course Overview: Macroeconomics asks how societies grow, why they falter, and how policy interacts with human behavior at scale.

This course introduces the central models, evidence, and reasoning tools that allow us to analyze output, unemployment, inflation, and growth. You will learn to connect formal economic ideas to what you see in headlines, workplaces, and daily life. Economic questions intersect with history, politics, psychology, and philosophy—throughout the course, we'll draw on insights from multiple disciplines to enrich our understanding.

The course is discussion-driven and empirically grounded: we will learn the models through active engagement, then immediately test them against data. By the end, you should be able to interpret economic reports, evaluate arguments, and communicate macroeconomic insights clearly and confidently. This course develops transferable skills—analytical reasoning, clear communication, comfort with ambiguity—that apply well beyond economics.

Course Text: The primary text for this course is *Modern Principles: Macroeconomics* by Cowen and Tabarrok (2024, 6th Edition).

Learning Goals: By the end of the course, you will be able to:

- Explain key macroeconomic measures (GDP, unemployment, inflation) and how they are constructed
- Apply standard models to interpret short-run fluctuations and long-run growth
- Analyze how policy decisions affect economic outcomes
- Evaluate evidence and arguments about macroeconomic performance
- Reflect on your own reasoning process and adapt analytical frameworks to unfamiliar problems
- Communicate economic reasoning effectively in writing and conversation

Course Outline:

Preliminary: Welcome & Micro Review

Introduction and What Is Economics?	Ch. 1
Scarcity, Trade-offs, and Thinking at the Margin	Ch. 2
Supply and Demand Basics	Ch. 3
Equilibrium	Ch. 4

Unit 1: Macroeconomic Indicators

GDP and National Income Accounting	Ch. 6
Inflation and Price Indices	Ch. 12
Labor Markets and Unemployment	Ch. 11
Interest Rates and Loanable Funds	Ch. 9

Unit 2: Long-Run Growth

The Importance of Long-Run Growth	Ch. 7
Solow Model Introduction	Ch. 8
Solow Model Mechanics	Ch. 8

Unit 3: Business Fluctuations

Aggregate Demand	Ch. 13
Aggregate Supply	Ch. 13
AS-AD Equilibrium and Shocks	Ch. 13
Business Cycle Applications	Ch. 14

Unit 4: Policy and Institutions

The Federal Reserve System	Ch. 15
Banking and Money Creation	Ch. 15
Monetary Policy Tools and Transmission	Ch. 16
Government Spending and Taxation	Ch. 17
Fiscal Policy and the Budget	Ch. 18
Monetary and Fiscal Policy Coordination	Chs. 16, 18

Grade Composition:

Problem Sets 25%

- Approximately 8 problem sets over the semester, due Fridays at 5:00 PM. Each includes quantitative problems and short conceptual questions designed to reinforce core models and build technical fluency.
- Expectations: You may collaborate with peers but must write your own solutions. Show all work—answers without reasoning receive no more than 20% credit.
- Late policy: Late problem sets are accepted until Monday at 5:00 PM with a 20% penalty. Work more than 72 hours late receives zero credit. If you anticipate a conflict, contact me at least 48 hours before the due date to request an extension. Extensions require documentation for emergencies or official college obligations.
- Your lowest problem set score will be dropped.

Macroeconomy in Real Time 20%

- Economic data arrives continuously—this assignment trains you to interpret it. After each major monthly data release (employment report, CPI, GDP, PCE), you'll submit a 150-200 word analysis.

- Required elements for each submission:
 - Pre-release prediction: What do you expect the data will show, and why?
 - Actual results: Report the key figures released.
 - Economic implications: What does this mean for current economic conditions?
 - Reflection: How does this change or confirm your understanding?
- Due: Within 48 hours of the data release or by the next class meeting, whichever comes first.
- Approximately 10 submissions over the semester. We'll discuss your analyses in class and track how interpretations evolve as evidence accumulates. The goal isn't prediction accuracy—it's developing judgment and recognizing how data, interpretation, and theory interact in real time.

Op-Ed Project 20%

- Write a 400-word op-ed applying macroeconomic reasoning to a contemporary issue. You'll learn to translate technical analysis into public-facing argument—a skill that extends well beyond economics.
- Project timeline:
 - Week 8: Topic proposal (1 paragraph) submitted for approval—you cannot proceed without approval
 - Week 10: Detailed outline with thesis statement, key arguments, and evidence
 - Week 12: Complete draft for mandatory peer workshop
 - Week 13, Friday at 5:00 PM: Final submission incorporating workshop feedback
- Each stage is graded. The final essay must demonstrate meaningful engagement with peer and instructor feedback. Revision is required, not optional—simply resubmitting your draft without substantive changes will result in significant point deduction.
- Workshop attendance is mandatory. If you must miss the workshop due to a documented emergency, you must meet with me individually to complete peer review within 48 hours, or your project grade will be capped at B+.

Midterm Exam 15%

- Short essays and applied problems covering core models through aggregate demand and supply. Week 7.

Final Exam 20%

- Cumulative assessment emphasizing synthesis and application, with focus on policy coordination and the 3-equation model. Scheduled during finals week.

Exam Corrections (optional)

- After the midterm, you may submit corrections with structured reflection: What was my error? What's the correct reasoning? What did I learn? Successful corrections can recover up to half the lost points. Due one week after exams are returned. This

is an opportunity for learning, not just grade recovery—thoughtful engagement is required.

Participation 10%

- This course depends on discussion. Your participation grade reflects:
 - Preparedness – evidence you’ve completed readings and thought about the material
 - Contribution – asking questions, offering interpretations, building on peers’ ideas, engaging with data and current events
 - Presence – active listening and intellectual engagement, not just attendance
- Quality matters more than quantity. Consistent thoughtful engagement earns full credit. Occasional meaningful contributions earn partial credit. Passive attendance earns minimal credit. More than three unexcused absences automatically reduces this component to zero.

Letter Grade Scale: A = 93–100, A- = 90–92, B+ = 87–89, B = 83–86, B- = 80–82, C+ = 77–79, C = 73–76, C- = 70–72, D+ = 67–69, D = 60–66, F = below 60

Rounding: Final grades are rounded to the nearest whole number (e.g., 92.5 becomes 93 = A; 92.4 becomes 92 = A-).

Policies and Expectations:

Attendance and Absences

- Attendance is mandatory. This is a discussion-based course—your presence matters to everyone’s learning, not just your own. You have three penalty-free absences for any reason (illness, interviews, family matters, mental health days)—use them wisely.
- Each additional unexcused absence beyond three lowers your final course grade by one-third of a letter grade (e.g., B+ becomes B). Six or more unexcused absences results in automatic course failure regardless of other work completed.
- Absences are excused only for documented illness, family emergencies, or official college obligations. Please communicate with me as early as possible when these situations arise—I’m here to support you, but I need to know what’s happening.
- Tardiness: Please arrive on time. Arriving late disrupts the class and disrespects your peers’ learning. Habitual lateness (three or more instances) will be treated as one absence. If you know you’ll be late due to a scheduling conflict (e.g., a regularly scheduled prior class that runs over), please speak with me early in the semester so we can address it.
- If you miss class, review posted materials and coordinate with classmates for notes. You are responsible for all material covered and announcements made.

Electronic Devices: Attention Is a Scarce Resource

- Electronic devices—phones, laptops, tablets—are not permitted during class unless you have a documented accommodation requiring their use.
- The evidence is clear: students learn better taking notes by hand, and devices create negative externalities by distracting nearby peers (Mueller and Oppenheimer 2014; Sana, Weston, and Cepeda 2013; Carter, Greenberg, and Walker 2017; Dynarski 2017). More fundamentally, the ability to sustain focused attention is increasingly rare and professionally valuable.
- Students with documented accommodations requiring electronic devices should contact me at the beginning of the semester to arrange appropriate access. I will work with you to ensure your needs are met while maintaining a focused learning environment for all students.
- Bring a notebook and pen or pencil. This is an analog space for focused inquiry.

Late Work and Extensions

- Deadlines build professional habits and allow timely feedback. Late work penalties are specified for each assignment (see above).
- If you anticipate a conflict, contact me at least 48 hours before the due date to request an extension. Extensions are granted for documented emergencies, significant illness, or official college obligations. Last-minute requests are difficult to accommodate except in true emergencies—plan ahead when possible.

Academic Integrity

- This course operates under the college's Honor Code. All work, written and oral, must be your own. Collaboration is encouraged on problem sets, but your write-ups must reflect your own understanding. Violations will be reported to the Honor Council without exception. If you're uncertain whether something constitutes a violation, ask me first.

Accessibility and Support

- Students requiring accommodations should contact the Office of Accessibility early in the semester and speak with me so we can coordinate appropriate support. I'm committed to ensuring equitable access to all course materials and activities.
- If you face unanticipated challenges—personal, academic, financial, or otherwise—please reach out early and confidentially. I can't help if I don't know what you're facing. Early communication makes all the difference.

Recording Policy

- To protect the classroom environment and peer privacy, no audio, video, or photographic recording is permitted without explicit prior permission. Students with

documented accommodations requiring recording should coordinate with me at the beginning of the semester.

Class Culture: Economics is a collective inquiry. Our class works best when we challenge ideas, not people. In discussions, you should be prepared to engage—but “I don’t know, but here’s how I’d think through it” is not only acceptable but celebrated. The only unacceptable response is disengagement.

We will encounter economic questions where reasonable people disagree. Different backgrounds and perspectives enrich our collective understanding. This classroom values diverse viewpoints and requires that all voices be heard with respect.

Be curious, rigorous, and generous with disagreement. Uncertainty isn’t failure; it’s where learning begins.

Communication and Office Hours: Check Blackboard and email regularly. I aim to respond to emails within 48 hours on weekdays. If you haven’t received a response within 48 hours and your question is time-sensitive, please follow up—emails occasionally get lost.

Office hours are for conversation and exploration, not just problem-solving. You don’t need to be “stuck” to visit. You’re welcome to discuss class topics, connections to your interests, applications to current events, career questions, or anything economics-adjacent.

If you’re struggling with course material, office hours aren’t optional—they’re part of how this course works. I’m here to help, but I can’t help if I don’t see you. Early intervention matters. Waiting until the week before exams makes recovery much harder.

Assessment Philosophy: Grades measure progress and mastery, not personality. Strong reasoning matters more than quick answers. Growth is valued—exam corrections are encouraged, and the op-ed includes structured revision. Effort, engagement, and intellectual curiosity are recognized throughout the semester.

This course demands rigor, but it also invites genuine inquiry. The standards are high because the stakes are real: you’re developing habits of mind that will serve you far beyond this classroom. I’m asking a lot because I believe you’re capable of a lot.

Final Reflection: Macroeconomics gives us tools to make sense of uncertainty, policy, and human behavior at scale. This class invites you to approach those questions with focus, humility, and creativity. The classroom is only the beginning—the real learning happens when you start applying these ideas to the world around you, when you read the news differently, when you see trade-offs others miss, when you ask better questions than you could fourteen weeks ago.

Let’s begin.

References

- Carter, Susan Payne, Kyle Greenberg, and Michael S Walker. 2017. "The Impact of Computer Usage on Academic Performance: Evidence from a Randomized Trial at the United States Military Academy." *Economics of Education Review* 56: 118–132. DOI: <https://doi.org/10.1016/j.econedurev.2016.12.005>.
- Cowen, Tyler, and Alex Tabarrok. 2024. *Modern Principles of Economics*. sixth ed.: Worth Publishers. URL: <https://store.macmillanlearning.com/us/product/Modern-Principles-Macroeconomics/p/9781319597177>.
- Dynarski, Susan. 2017. "Laptops Are Great. But Not During a Lecture or a Meeting." *New York Times* 11/22/2017, URL: <https://www.nytimes.com/2017/11/22/business/laptops-not-during-lecture-or-meeting.html>.
- Mueller, Pam A, and Daniel M Oppenheimer. 2014. "The Pen is Mightier than the Keyboard: Advantages of Longhand over Laptop Note Taking." *Psychological science* 25 (6): 1159–1168. DOI: <https://doi.org/10.1177/0956797614524581>.
- Sana, Faria, Tina Weston, and Nicholas J Cepeda. 2013. "Laptop Multitasking Hinders Classroom Learning for Both Users and Nearby Peers." *Computers & Education* 62: 24–31. DOI: <https://doi.org/10.1016/j.compedu.2012.10.003>.