

ECONOMICS 30233

Intermediate Macroeconomics

Spring 2020

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COURSE DESCRIPTION: Economics 30233 introduces the student to more sophisticated models of the operation of the macroeconomy. The focus will be on explanations of unemployment, inflation, interest rates, business cycles, and growth from the perspective of Kaleckian, Keynesian, and Post Keynesian models.

PREREQUISITES: At least three semester hours credit in economics with a grade of C- or better.

REQUIREMENTS: Each student will have three opportunities to demonstrate their understanding of the course material. The relative weights are as follows:

First exam	27 points (6 hell)
Second exam	27 points (6 hell)
Final exam	+36 points (8 hell)
	90 points

The final is cumulative (though not over ALL the material we covered on exams one and two). Grades will be assigned as follows (parenthetical references are to the **TCU Undergraduate Studies Bulletin** definition of the performance necessary for the assignment of each grade):

100 to 89.5%	A (Exceptional)
89.4 to 79.5%	B (Superior)
79.4 to 69.5%	C (Satisfactory)
69.4 to 59.5%	D (Poor)
59.4%	F (Failure)

Exams are essay and will test students' knowledge of the material covered in lecture and the reading,

require them to construct coherent analyses of events or trends using the appropriate framework, and use evidence appropriately when asked to analyze novel situations.

There are two optional assignments (Excel Business Cycle Simulation Model and an In-Class Worksheet) each worth 5 points that will be included in your final course grade calculation if and only if they improve your score. If you do one, your grade is calculated from a total of 95 points and if both from 100 points.

REMINDER: Economics majors must earn a C- or better in order to count economics courses toward their economics degree (though as a "D" it can be an elective).

MAKEUP EXAMS: This class will meet on the last regularly scheduled day of class (Tuesday, Apr 28) at the regular class time to take any makeups necessary. **The student need not contact the instructor with an excuse to take a makeup.** Simply miss the regular exam day and you are entitled to take the makeup. Only one exam may be missed in this manner, however. Before any other such incidents I must be contacted **before the time of the exam.** There is no guarantee that the excuse, which must represent an emergency, will be honored (I will consider the circumstances and may consult the department chair, dean, and/or Campus Life).

GRADING ON IMPROVEMENT: I have always thought it fair to raise a student's grade when she showed significant improvement over the course of the semester. However, I am very uncomfortable with arbitrarily determining the bonus. Oh happy day! I have come up with a formula to use in this regard! Get out your calculator...

First off, because it is cumulative and will reflect your knowledge of **all** the course material, improvement is linked to your final exam score. To determine your *improvement bonus* first convert all your scores into percentages (e.g., 90% instead of 27/30). Then subtract your lower of your first two exam scores from your final exam percentage and divide that total by 10. That is your bonus, and it will be added to your course total. Note that theoretically the bonus can vary from 10 percentage points (with a 100% on the final and a 0% on either exam one or exam two) to 0 (with a final exam score that does not exceed your lowest score). There is no risk to this bonus—at worst, I add a zero to your course grade.

ASSIGNMENTS: The textbook for this class is **Post Keynesian Macroeconomic Theory, Second Edition: A Foundation for Successful Economic Policies for the Twenty-first Century** by Paul Davidson (2011, Cheltenham, UK: Edward Elgar) and **A Guide to Everyday Economic Statistics** by Gary E. Clayton, Martin Gerhard Giesbrecht, and Feng Guo (2018, New York: McGraw Hill/Irwin). Additional readings are linked within the study questions.



ABSENCES, SELF MOTIVATION, AND YOU:

- From the first day of class, students have a list of potential exam questions covering 80% of what I can ask.
- They are free to work out the answers at home and they are encouraged to send these to me so I can check them.
- I will go over and over these with the student until we are sure that their set is absolutely perfect.
- Happily, everyone passes my course!

One of the above statements is false. Sadly, it is the last one! In fact, the average grades in my upper-level courses are consistently among the lowest (if not the lowest) in the department. The reasons are simple: many students 1) never bother to do the study questions and 2) don't come to class. Do not make these mistakes! Trust me when I say that you will never understand the material properly if you aren't present for the lectures and you can't learn the material without sitting down and doing the hard work of answering the study questions yourself. Getting the answers from someone else is not useless, but it's pretty close. **Believe me when I tell you this because I have seen it over and over and over!** This class is a nightmare for those who have no self discipline. On the other hand, for those who are willing to come to class and work hard, it's difficult not to earn at least a B. Incidentally, among the worst offenders are those repeating the course. I assume they are of the attitude that they don't need to come to class because they've already taken the course once. No, they haven't. Again, please don't make this mistake!

Before I leave this topic, I want to assure the responsible students in class that I do not make any side deals with those who never show up. Irresponsibility does not qualify them for special treatment. Attendance is not "required" in the class, but then neither is passing.

FINAL EXAM: Our final is scheduled for **Thursday, May 7 8:00am to 10:30am**. Only those students with more than two final exams in a twenty-four hour period are permitted to reschedule any finals. According to University policy, the student must prove that this exceptions applies and this must be done prior to the last week of regular class sessions before final examinations.

USE OF ELECTRONIC DEVICES: Not only should they be stowed during takeoff and landing, they simply aren't needed in this class!

ACADEMIC HONESTY: I do my utmost to see to it that those who are studying hard in my course get full credit for their work and that they are not cheated by classmates. I do this primarily by removing temptation and closely monitoring all exams. However, in the event that my vigilance is not sufficient and a case of academic dishonesty does come to my attention, I give my word to the honest members of the class that the offending party will be penalized as outlined by University policy. Speaking of the latter, here is the official TCU statement:

Academic Misconduct (Sec. 3.4 from the Student Handbook) – Any act that violates the academic integrity of the institution is considered academic misconduct. The procedures used to resolve suspected acts of academic misconduct are available in the offices of Academic Deans and the Office of Campus Life. Specific examples include, but are not limited to:

- *Cheating: Copying from another student's test paper, laboratory report, other report, or computer files and listings; Using, during any academic exercise, material and/or devices not authorized by the person in charge of the test; Collaborating with or seeking aid from another student during a test or laboratory without permission; Knowingly using, buying, selling, stealing, transporting, or soliciting in its entirety or in part, the contents of a test or other assignment unauthorized for release;*

Substituting for another student or permitting another student to substitute for oneself;

- *Plagiarism: The appropriation, theft, purchase or obtaining by any means another's work, and the unacknowledged submission or incorporation of that work as one's own offered for credit. Appropriation includes the quoting or paraphrasing of another's work without giving credit therefore.*
- *Collusion: The unauthorized collaboration with another in preparing work offered for credit.*

Students are not the only ones who should be held to a moral standard in the process of determining course grades. It is equally vital to the integrity of the course that the instructor maintain the highest level of honesty. I promise everyone that, first, no student will have a grade changed simply because they made inquiries regarding my evaluation. Nor will someone in our class receive a higher grade one the basis of "need" (to keep a scholarship, to stay in school, to receive Economics credit, to not be killed by parents, etc.). If those are to be criteria for the determination of grades, then they should appear in the syllabus as assignments. Furthermore, the exams will be graded blindly (i.e., no names) and, at the end of the semester, the one and only place I will look to calculate students' grades will be their cumulative performance on the tests. The standard I will apply in determining letter grades absolutely will be the one listed above, and **I promise that it will be the same for everyone**. Finally, I feel very strongly that it is each student's right to understand how their grade was determined, and I am always happy to fully explain any questions you may have.

PICTURE DAY: By golly gosh, you are paying a lot of money to come to TCU (well, someone is)—you deserve to have your professors know your name! So, on the second or third day of class I'll be taking all your pictures (to which you'll add your names later) so that I can study, study, study. By exam one I should know everyone's name AND which face goes with it!

INSTRUCTOR QUALIFICATIONS:

- B.A. Economics and Political Science, U. of Tennessee 1983.
- M.A. Economics, U. of Tennessee 1986.
- Ph.D. Economics (international, macroeconomics, history of economics), U. of Tennessee 1987.

Qualifications for Teaching This Course: While intermediate macroeconomics is a basic course that all faculty are able to teach, it has always been an area of great interest for me. Most of my publications have been in international economics, but from a macro perspective, and I have begun to focus more intensely on macro issues:

- “Intermediate Macroeconomics: The Importance of Being Post Keynesian,” **Journal of Post Keynesian Economics**, 2018, vol. 41, no. 1, pp.83-98.
- “An Economics Primer for Cyber Security Analysts,” **Military Cyber Affairs**, 2018, vol.3, no.1, pp.1-30.
- “An Introduction to Post Keynesian Economics: Involuntary Unemployment With Perfectly Flexible Wages and Prices,” **The American Economist**, 2016, vol. 61, no.2, pp.140-156. Lead Article.
- “Teaching Keynes’ Business Cycle: An Extension of Paul Davidson’s Capital Market Model,” **Journal of Post Keynesian Economics**, 2014, vol. 36, no. 4, pp.589-606. Lead article.
- “Using the General Theory to Explain the US Business Cycle: 1950-2009,” **Journal of Post Keynesian Economics**, 2014, vol. 36, no. 3, pp. 391-414. Lead article.
- Keynes’ Trade Cycle: A System Dynamics Model,” **Journal of Post Keynesian Economics**, 2013 vol. 36, no.1, pp. 105-130.
- United States Business Cycles from 1971 through 2010: A Post Keynesian Explanation,” **Journal of Economic Issues**, vol.45, no.2, 2011, pp.381-390.

I also have a blog at Forbes.com where I focus almost exclusively on domestic macro issues:

<http://www.forbes.com/sites/johntharvey/>

From 2015 to 2016, I was on call to provide economic and policy analysis to members of the U.S. Senate Budget Committee.

CLASSROOM ETIQUETTE: In my experience, most students already know exactly how to conduct themselves in a college classroom. Unfortunately, however, a steady deterioration in the level of civility and manners is a trend at universities across the nation (including here at TCU). For that reason, I have taken the reluctant step of requiring all students to sign an agreement regarding appropriate classroom behavior. Please read it carefully as I will be taking it very seriously. Despite mentioning this every semester, I’m afraid that there are still people who don’t understand how terribly distracting their conversations are to the rest of us. PLEASE don’t create an incident. Instructors are, by the way, empowered to have disruptive students dropped from the class. I will also be signing one for you, of which you will receive a copy. Remember—everyone pays the same tuition and has the right to be able to concentrate on the lecture. Please let me know if anyone is distracting you.

The Queen asks why no one saw the credit crunch coming

The Queen, whose personal fortune is estimated to have fallen £25 million in the credit crunch, has demanded to know why no one saw the financial crisis coming.



The Queen and the Duke of Edinburgh at the opening of a new building at the London School of Economics. Photo: PA

The Royal Family
News » UK News »
Financial Crisis »

In The Royal Family



Joining forces: Harry
in the US



PROCEDURES FOR STUDENTS WITH DISABILITIES:

Texas Christian University complies with the Americans With Disabilities Act and with Section 504 of the Rehabilitation Act of 1973 regarding students with disabilities. No otherwise qualified individual shall be denied access to or participation in the services, programs and activities of TCU solely on the basis of a disability. The University shall provide reasonable accommodations for each eligible student who (a) has a physical or mental impairment that substantially limits a major life activity, (b) has a record or history of such an impairment, or (c) is regarded as having such an impairment.

Each eligible student is responsible for presenting relevant, verifiable, professional documentation and/or assessment reports to the Coordinator for Students with Disabilities. Information concerning a student's disability is treated in a confidential manner in accordance with

University policies as well as applicable federal and state laws. Documentation presented to the Coordinator shall be reviewed by appropriate University professional(s) to verify the existence of a disability. Further documentation may be required from the student to substantiate the claim of a disability or to assist the University in determining appropriate accommodations.

Eligible students seeking accommodations should contact the Coordinator as soon as possible in the academic term for which they are seeking accommodations. The Coordinator shall prepare

letters to appropriate faculty members concerning specific, reasonable academic adjustments for the students. The student is responsible for delivering accommodations letters, conferring with faculty members, and returning validation of the receipt of information to the Coordinator. The Coordinator shall consult with the student and with University faculty and staff to ensure delivery of appropriate support services and shall serve as liaison between the student and the faculty member as needed.

Students who wish to appeal a decision regarding appropriate accommodations shall do so in writing to the Affirmative Action Officer, who shall decide

the appeal. The Affirmative Action Officer's decision may be appealed within 7 calendar days in writing to the Provost, whose decision may be appealed in writing within 7 calendar days directed to the Chancellor. At any step during such an appeal, the person deciding the appeal may confidentially consult with appropriate

professionals/advisors within or outside the University.

The Coordinator for Students with Disabilities may be contacted at the Center for Academic Services, Texas Christian University, TCU Box 297710, Fort Worth, Texas 76129, (817) 257-7486.



TCU'S DISCRIMINATION POLICY

TCU prohibits discrimination and harassment based on age, race, color, religion, sex, sexual orientation, gender, gender identity, gender expression, national origin, ethnic origin, disability, predisposing genetic information, covered veteran status, and any other basis protected by law, except as permitted by law. TCU also prohibits unlawful sexual and gender-based harassment and violence, sexual assault, incest, statutory rape, sexual exploitation, intimate partner violence, bullying, stalking, and retaliation. We understand that discrimination, harassment, and sexual violence can undermine students' academic success and we encourage students who have experienced any of these issues to talk to someone about their experience, so they can get the support they need. Review TCU's Policy on Prohibited Discrimination, Harassment and Related Conduct or to file a complaint: <https://titleix.tcu.edu/title-ix/>.

COMING TO EXAMS LATE: Something that has just started happening recently is people coming to exams late so they can have more time to study. That is your choice, but bear in mind: 1) I will not be able to review anything I have already shared with the class up to that point; 2) your exam still ends at the same time; 3) **if someone has already finished the test and left, you will not be permitted to take the test** (you must take it as a makeup, unless you already need to take a makeup in which case you earn a zero).



TITLE IX AT TCU

As an instructor, one of my responsibilities is to help create a safe learning environment on our campus. It is my goal that you feel able to share information related to your life experiences in classroom discussions, in your written work, and in our one-on-one meetings. I will seek to keep any information you share private to the greatest extent possible. However, I have a mandatory reporting responsibility under TCU policy and federal law and I am required to share any information I receive regarding sexual harassment, discrimination, and related conduct with TCU's Title IX Coordinator. Students can receive confidential support and academic advocacy by contacting TCU's Confidential Advocate in the Campus Advocacy, Resources & Education office at (817) 257-5225 or the Counseling & Mental Health Center at <https://counseling.tcu.edu/> or by calling (817) 257-7863. Alleged violations can be reported to the Title IX Office at <https://titleix.tcu.edu/> or by calling (817) 257-8228. Should you wish to make a confidential report, the Title IX Office will seek to maintain your privacy to the greatest extent possible, but cannot guarantee confidentiality. Reports to law enforcement can be made to the Fort Worth Police Department at 911 for an emergency and (817) 335-4222 for non-emergency or TCU Police at (817) 257-7777.

Note that those who are found by the university to be guilty of violence or harassment face sanctions up to and including expulsion (if a student) and termination (if an employee). Criminal charges may also apply.

Assignments
WEEK

TOPIC

#1 End Jan 16	Introduction to course (grading, assignments, philosophy, etc.)
#2 End Jan 23	Terminology and Basic Macroeconomic Concepts and Relationships
#3 End Jan 30	The Economics of John Maynard Keynes
#4 End Feb 6	The Economics of John Maynard Keynes STUDY QUESTIONS DUE
#5 End Feb 13	*****EXAM ONE***** (Feb 13)
#6 End Feb 20	The Economics of John Maynard Keynes
#7 End Feb 27	Hyman Minsky's Interpretation of Keynes
#8 End Mar 5	Steve Keen's Application of Minsky: Predicting the Financial Crisis
#9 End Mar 19	Steve Keen's Application of Minsky: Predicting the Financial Crisis STUDY QUESTIONS DUE
#10 End Mar 26	*****EXAM TWO***** (Mar 26)
#11 End Apr 2	The Economics of Michael Kalecki
#12 End Apr 9	The Economics of Michael Kalecki
#13 End Apr 16	The Economics of Michael Kalecki OPTIONAL EXCEL MODEL DUE APR 16 (11:59PM)
#14 End Apr 23	Neoclassical IS-LM Analysis OPTIONAL IN-CLASS WORKSHEET APR 23
#14.5 End Apr 28	*****Makeup Exams***** *****Study Days***** *****FINAL EXAM***** (see above)

COVID-19 ADDENDUM REQUIRED BY UNIVERSITY

TCU students are prohibited from sharing any portion of course materials (including videos, PowerPoint slides, assignments, or notes) with others, including on social media, without written permission by the course instructor. Accessing, copying, transporting (to another person or location), modifying, or destroying programs, records, or data belonging to TCU or another user without authorization, whether such data is in transit or storage, is prohibited. The full policy can be found at: <https://security.tcu.edu/polproc/usage-policy/>.

Violating this policy is considered a violation of Section 3.2.15 of the Student Code of Conduct (this policy may be found in the Student Handbook at <https://tcu.codes/code/index/>), and may also constitute Academic Misconduct or Disruptive Classroom Behavior (these policies may be found in the undergraduate catalog at <https://tcu.smartcatalogiq.com/current/Undergraduate-Catalog/Student-Policies/Academic-Conduct-Policy-Details>). TCU encourages student debate and discourse; accordingly, TCU generally interprets and applies its policies, including the policies referenced above, consistent with the values of free expression and First Amendment principles.