

**ECON 642 – Syllabus**  
**Topics in Applied Macroeconomics**

The Master of Science in Applied Economics Program University of Maryland  
Winter 2020/21 – District of Columbia

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**Instructor:** Mita Chakraborty, Ph.D.

**TA:** Eugene Oue

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Office Hours: Mon 7:00-8:00 PM and *by appointment*

Office Hours: Mondays 5:15-6:00 PM via Zoom

*Synchronous Online class Time:* Wednesdays,  
7:00-8:30 pm (Eastern Standard Time, EST  
and may be extended as needed).

***Zoom links for synchronous lectures and the instructor's office hours are available on ELMS-Canvas by opening the Zoom tab. Zoom links for TA office hours will be emailed to you.***

In addition to synchronous lectures, I will regularly upload asynchronous recorded lectures. These could include concepts not covered during synchronous lectures, case studies as well as problem solving. Asynchronous recorded lectures will complement synchronous lectures.

Required Textbook:

- A. N. Gregory Mankiw. (2019). Macroeconomics, 10<sup>th</sup> edition (ISBN-10: 1-319-10599-8 and ISBN-13: 978-1-319-10599-0).
- B. Intermediate Macroeconomics, 2018 (mimeo), Julio Garín, Robert Lester, and Eric Sims (version 3.0.0 or later). I will hereafter refer this manuscript as “GLS”. The latest version is available for free download at [https://www3.nd.edu/~esims1/gls\\_int\\_macro.pdf](https://www3.nd.edu/~esims1/gls_int_macro.pdf).

For each lecture topic, I will recommend a combination of readings from Mankiw’s Macroeconomics text and the manuscript for Garín, et al’s Intermediate Macroeconomics text available online (see Table 3 in the syllabus). These readings are intended to supplement the primary course materials which will be presented during synchronous and asynchronous lectures. Mankiw tends to focus on high-level intuition with less math, whereas Garín et al works through models and empirical facts a little more.

The course requires considerable time commitment. It is essential that students familiarize themselves with all lecture materials, both synchronous and asynchronous. It is also expected

that students familiarize themselves with the reading materials assigned for that week by the time the concepts are covered in class as this will help students to learn and absorb the materials.

**Course prerequisite:** Admission to the Master of Science Program in Applied Economics.

**Course description:** This course is the core macroeconomics course for the Master of Science (M.Sc.) Program in Applied Economics. Macroeconomics is focused on understanding the behavior of the aggregate economy in the long and short run. In this course we will study macroeconomic models that help us to understand the determinants of the main macro aggregates: gross domestic product (GDP), inflation, and unemployment, including the effects of monetary and fiscal policies. Knowledge of micro and macro at principal level is presumed, as well as algebra and elementary differential calculus.

**Course objectives:** The M.Sc. in Applied Economics Program lists following general learning outcomes for students:

- 1. Ability to understand, evaluate and analyze economic data**
2. Ability to understand and interpret statistical evidence from economic data
- 3. Ability to apply empirical evidence to assessing economic arguments**
- 4. Ability to apply macroeconomic theories to policy discussions**
5. Ability to apply microeconomic theories to policy discussions
- 6. Ability to communicate economic ideas to a broader audience**
7. Ability to evaluate the effectiveness of policy programs using sound economic techniques

This course focuses on learning outcomes related to 1, 3, 4, and 6 (highlighted).

**Table 1: Course Components**

A. In-class short quiz	10%
B. Problem Sets (4)	15%
C. Midterm exam.	25%
D. Final exam.	30%
E. Online Discussions	10%
F. Group projects (preparations and recorded presentation)	10%

At the end of the course, each student will receive a numerical grade, on the scale from 0 to 100 (percent), which is then converted into a letter grade. Table 2 below provides scaling for the letter grades, calculated on the basis of above assignments and weights (grades are not curved). Occasionally, I may assign A+ at my discretion to a limited number of top students.

**Table 2: Grading scale**

93-100	90-92	80-89	70-79	60-69	50-59	40-49	30-39	20-29	10-19	0-9
A	A-	B+	B	B-	C+	C	C-	D+	D	F

**Midterm and final exams:** Both exams will be online, open book, open notes. The final exam will not be comprehensive (see Table 3). Midterm and final exams will be held, respectively, on **Wednesday, January 13, 2021 (Week # 6)** and on **Friday, February 19, 2021 (Week # 12;** please note specific time), as indicated in Table 3. **Each exam will begin at 7:00 p.m. on the day of the exam and last for two (2) hours.** Further instructions on how these exams will be administered will be discussed in due course.

**In-class Short Quiz:** Starting from the second week of the course, each week I will start the synchronous lecture with an online mini quiz for approximately 10-15 minutes. The quiz will be based on the previous week's chapter readings and lecture materials.

**Problem Sets (PS):** There will be four (4) problems sets during the entire duration of the course. Problem sets will be assigned on Fridays and they are due online by midnight on the following Friday. Although students can discuss problems with each other, every student must turn in his or her own work. Since the exams relate to PS, you should try to solve the exercises on your own before discussing them with your classmates. Note that submissions that are blindly copied from other students get zeros. All students are encouraged to meet with me or the TA in case of any questions.

- You will have a week to work on your assignments (please see class and assignment schedule below).
- Problem sets are to be submitted electronically.
- Each problem set will be graded out of 25.

**Group Projects:** Group presentations will start place from Week 5 of this course (Jan 5<sup>th</sup>). There will be 2 presentations each week. Each presentation will be done *by a team of 2 students.* You must form a group with ONE classmate.

You could present on any of the papers from academic journals that I will be listing on ELMS, or, any other academic paper relevant to the course materials of ECON 642. Draft presentations should be emailed to me a week before the final presentations are due on the Discussion Board. Final versions of recorded PowerPoint presentations should be posted on ELMS, to allow discussions and commenting on the presentations afterwards by students.

Presenters are required to send first drafts of their PowerPoint slides to me via email at mchakrab@umd.edu by midnight on Friday the week before they present. I will reply with feedback by Monday. The actual presentation must include revisions that address the feedback. Final drafts are due on the online Discussion Board by 12 midnight on the following Friday.

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Presenters are welcome to set up meetings with me to discuss their presentation and my feedback.

Starting from Week 5 when student group presentations start, *discussions will focus on the presentation of that week.* (please see below for guidelines on Weekly Online Discussion).

**Weekly Online Discussion:** The topics for discussion will center around the recorded presentations submitted on the ELMS that week.

**Online discussion assignment guidelines:**

- In order to encourage discussion, each week each student must make at least one post.
- This is the sequence that will be followed every week.
  - ❖ Presentations are posted on Friday.
  - ❖ Audience sends suggested thread openings to the professor by Monday. Each non-presenting student could discuss the presentation with your own group partner, and then jointly submit one suggestion for the opening of a thread each week.
  - ❖ Professor opens threads based on some of the students' ideas and some ideas of the professor's.
  - ❖ Presenters make initial replies in each thread by Wednesday, and are graded on those.
  - ❖ Audience students follow up in subsequent discussion (one post per student per week).
  - ❖ Presenters are expected to respond to subsequent posts as well.
  - ❖ Online discussion concludes on the subsequent Friday.
- A guiding principle for the online discussion assignments is to learn to think analytically and provide critical and constructive feedback to the discussion topic that has been assigned.
- Group postings are not accepted, but students are permitted to discuss the online discussion topic assignment with your presentation partners.
- Students are expected to read the week's assigned paper, listen to the recorded presentation, support their arguments with economic analysis, and not merely provide personal views/opinions.
- You will be graded on participation, content, and evidence of some research on background and facts. You are encouraged to look for resources and facts outside of the "required" materials to support your claims in the discussion.
- Grades for discussions are number grades 1, 2, 3, or 4. You are responsible to keep track of new comments and express your constructive feedback. Discussions that are original and constructively move the discussion forward receive the full grade of 4. Discussions that clarify or seek clarification of ideas already expressed receive 3. Discussions that attempt to apply what we have learned but don't quite get it right will receive 2. Discussions that make a casual observation that someone outside the course could have made but don't contribute at least marginally to the discussion receive 1.

**\*\*\*This outline is tentative and subject to change. Exam. dates are fixed.**

**Table 3: Course Outline**

<b>Week/Wednesday</b>	<b>Lecture topic</b>	<b>Notes</b>
Week # 1 December 2, 2020	Introduction and preliminaries	NGM: Chapters 1 – 3 GLS: Chapters 1 – 2, Appendixes A and B
Week # 2 December 9, 2020	Economy in the long run; HW # 1	NGM: Chapter 8, GLS: Chapters 4 – 5
Week # 3 December 16, 2020	Economy in the long run (cont.); <i>Note: In-class Mini quiz starts</i>	NGM: Chapter 9 and Appendix to Ch. 9 GLS: Chapters 6 – 7
Week # 4 December 23, 2020	Money, Prices and Inflation in the Long Run HW # 2	NGM: Chapters 4-5 GLS Chapter 20
<b>December 24, 2020 – January 3, 2021</b>	<b>Holiday break.</b> No class;	
Week # 5 January 6, 2021	Economy in the Short Run <i>Note: student presentations and online discussions will commence (two teams will present per week)</i>	NGM: Chapter 10 GLS: Chapters 23
Week # 6 January 13, 2021	<b>Midterm exam</b> (lecture material for Weeks # 1 – 5)	<b>Online, open book, open notes</b>
Week # 7 January 20, 2021	Economy in the short run (cont.); HW # 3	NGM: Chapters 11- 12 GLS: Chapters 24 – 25 and Appendix D
Week # 8 January 27, 2021	Open economy extension of the Keynesian model;	NGM: Chapters 6, 13 GLS: Chapters 22, 29
Week # 9 February 3, 2021	Unemployment, Inflation- unemployment HW# 4	NGM: Chapters 7, 14
Week # 10 February 10, 2021	Economic Fluctuations, Stabilization Policy, Public Debt and Budget Deficits	NGM: Chapters 15, 16, 17 GLS: Chapter 13
Week # 11 February 17, 2021	Economic Fluctuations, Stabilization Policy, Public Debt and Budget Deficits (cont.)	NGM: Chapters 15, 16, 17
Week # 12 February 19, 2021 <b>(Friday)</b>	<b>Final exam</b> (lecture material for Weeks # 6 – 11)	<b>Online, open book, open notes</b>

**Course Website:** Copies of the course syllabus, your grades, and other relevant links and documents will be posted on the course's ELMS/Canvas website. You can access the site via [www.elms.umd.edu](http://www.elms.umd.edu). You will need to use your University of Maryland "directory ID" and password.

**Email:** The University has adopted email as the primary means of communication outside the classroom, and I will use it to inform you of important announcements. Students are responsible for updating their current email address via <http://www.registrar.umd.edu/current/> (Under the first major heading of "Online Transactions" there is a link to "Update Contact Information".)

**Contact Hours:** Three credit master's-level courses at the University of Maryland require a minimum amount of contact between instructors and students. Our courses' 12 weekly meetings only satisfy 80% of the university's contact requirement. The other 20% is satisfied by weekly mandatory and graded online contact. In principle, the contact hours requirement could be satisfied by scheduling 3 additional 150-minute meetings per term, or 6 additional 75-minute meetings, or 10 additional 45-minute meetings. But in practice the contact hours requirement is satisfied by the weekly online discussions. The weekly online discussions are a more flexible way to ensure that our program's courses in DC provide the same level of student-instructor contact as the traditional 15-week face-to-face version of the same course when it is taught on campus in College Park.

**Work Load:** Mastering the material covered in this course requires a significant amount of work outside of class. Students should expect to spend more time outside of class than in class – typically at least twice as much time. The courses in our DC program are 12-week courses that cover all the same material as a traditional semester-long 3-credit course (15 weeks). The compressed schedule makes it possible to complete our degree in just 15 months if you take 2 courses each term. But the compressed schedule also implies an accelerated pace with an average of 25% more work per week in a given course ( $15/12 = 1.25$ ). The normal full-time load in a master's program is 3 courses per semester, or 6 courses per year. The weekly work load when taking 2 of our DC courses per term is equivalent to the load from 2.5 "normal" 15-week courses - so  $2.5/3.0=83\%$  of a full-time load. Students who take 2 courses per quarter in our program complete 8 courses per year. So over the course of a year, taking 2 courses per quarter in our DC program is equivalent to 133% of a full-time load ( $8/6 = 1.33$ ).

**Academic Integrity:** The University of Maryland, College Park has a nationally recognized Code of Academic Integrity. This Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit <http://www.studentconduct.umd.edu>

**Student Conduct:** Students are expected to treat each other with respect. Disruptive behavior of any kind will not be tolerated. Students who are unable to show civility to one another or myself will be referred to the Office of Student Conduct. You are expected to adhere to the Code of Student Conduct.

**Excused Absences:** The University of Maryland's policy on excused absences is posted here: <http://www.president.umd.edu/administration/policies/section-v-student-affairs/v-100g>

Please note:

If you miss any class meetings for any reason, you are still responsible for all material covered during the meeting you missed. It is your responsibility – not the instructor's – to get yourself caught up in the course. Instructors routinely facilitate things by posting lecture notes, etc.

If you need to miss an exam or other graded course requirement because of illness, injury, or some other emergency: Follow doctor's orders and get documentation. Get in touch with the instructor as soon as you're able – preferably prior to missing the exam or deadline. Communicate with the instructor to make up the course requirement as soon as possible. You are entitled to recover before you make up the course requirement, but you are not entitled to extra days to study beyond the time the doctor's note says you're incapacitated. If you are incapacitated for more than a week or so beyond the end of the term, your grade in the course will be an "Incomplete". In such cases you must negotiate a plan with your instructor for completing the course requirements. Once you make up the course requirement the instructor will change your "I" to the appropriate letter grade.

**School Closings and Delays:** Information regarding official University closing and delays can be found on the campus website and the snow phone line: (301) 405-SNOW (405-7669). Since our program is an evening program in downtown Washington, DC, rather than a day program in College Park, we do not always cancel classes on the same days as the College Park campus. The program director will always announce cancellation information to the program as an announcement on the program's ELMS/Canvas site. This will generally be done by 1:00 p.m. on days when weather or other factors are an issue.

**UMD Counseling Center:** Sometimes students experience academic, personal and/or emotional distress. The UMD Counseling Center in Shoemaker Hall provides comprehensive support services that promote personal, social, and academic success. The cost of these services is covered by the fees you already paid when you registered for classes, and there is no additional charge if you use the services. Proactively explore the range of services available, including the Counseling Service, Accessibility and Disability Service, Learning Assistance Service, and the Testing Office, all described at <http://www.counseling.umd.edu/>

**Students with Disabilities:** The University of Maryland does not discriminate based on differences in age, race, ethnicity, sex, religion, disability, sexual orientation, class, political affiliation, or national origin. Reasonable accommodations will be arranged for students with documented disabilities. Students who have an accommodations letter from the Accessibility and Disability Service (ADS) should meet with me during the first week of the term to discuss and plan for the implementation of your accommodations. If you require reasonable accommodations but have not yet registered with ADS, please contact the Accessibility and Disability Service at 301-314-7682 or [adsfrontdesk@umd.edu](mailto:adsfrontdesk@umd.edu).

**Academic Progress:** The UMD Graduate School requires that students maintain a GPA of at least 3.0. Students whose cumulative GPA falls below 3.0 will be placed on academic probation

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by the graduate school. Students on academic probation must ask the program's director to petition the graduate school if they want to remain enrolled in the program. The petition must include a plan for getting the student's GPA up to at least 3.0. Students who do not live up to their plan can have their enrollment in the program terminated without having earned the degree. Note: a grade of "B" corresponds to a GPA of 3.0. A grade of "B-" corresponds to a GPA of 2.7.