

General Information

Professor Information



Instructor: Berrak Bahadir

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Office Hours: M:1-3 pm or by appointment

Turn Around Time: 24 hours

Course Description and Purpose

Course Description: This is an advanced level macroeconomics course that is designed to teach senior undergraduates established macroeconomic models as well as the cutting edge macroeconomics research that dominated the recent literature. The course is divided into three modules. The first module (week 2 to 6) is dedicated to economic growth models that attempt to explain income differences across countries. These models include the Solow economic growth model, the Romer model and the study of labor market dynamics. The second module of the course (Week 7 to 11) studies the shocks that generate business cycle fluctuations and their implications for the macroeconomy. This module also discusses the role of governments in stabilizing the economy in the short run using fiscal or monetary policy. Finally, the third module (Week 12-15) introduces the neo-classical consumption and the dynamic stochastic general equilibrium models that have been widely used in modern macroeconomics.

Course Purpose: The purpose of this course is to provide a training in modern, advanced macroeconomic theory and give students a thorough understanding of some fundamental workhorse models in macroeconomics used to deal with economic problems.

Course Objectives

Upon completing this course, students will be able to:

- Explain the central theoretical and empirical implications of the Solow growth model.
- Explain the differences between the Solow and the Romer model of economic growth.
- Identify the determinants of variations in per capita income and per capita income growth.
- Identify the important determinants of labor market equilibrium and unemployment.
- Identify the characteristics of the modern business cycle and the alternative theoretical approaches that are used to understand these characteristics.
- Articulate the role that nominal rigidities play in determining aggregate output and employment.
- Explain the role that individual behavior and expectations play in assessing the impacts of monetary and fiscal policy.
- Explain consumption dynamics and permanent income hypothesis.
- Discuss the role of financial frictions in determining consumption dynamics.
- List the important components of a dynamic stochastic general equilibrium model.
- Interpret the impulse responses generated using a DSGE model.

Important Information

Policies

Please review the [FIU's Policies](#) webpage. The policies webpage contains essential information regarding guidelines relevant to all courses at FIU, as well as additional information about acceptable netiquette for online courses. For additional information, please visit [FIU's Policy and Procedure Library](#).

As a member of the FIU community you are expected to be knowledgeable about the behavioral expectations set forth in the [FIU Student Conduct and Honor Code](#).

Technical Requirements and Skills

One of the greatest barriers to taking an advanced level course is a lack of basic computer literacy. By computer literacy we mean being able to manage and organize computer files efficiently, and learning to use your computer's operating system and software quickly and easily. Keep in mind that this is not a computer literacy course; but students enrolled in this course are expected to have moderate proficiency using a computer. Please go to the [What's Required](#) webpage to find out more information on this subject.

Privacy Policy Statements for Partners and Vendors

- [Canvas](#)
- [Microsoft](#)
- [Adobe](#)
- [Google](#)
- [ProctorU](#)
- [HonorLock \(PDF\)](#)
- [Turnitin](#)
- [NBC Learn](#)
- [OpenStax](#)
- [Zoom](#)
- [Respondus LockDown Browser](#)

Please visit our [Technical Requirements](#) webpage for additional information.

Accessibility and Accommodation

The Disability Resource Center collaborates with students, faculty, staff, and community members to create diverse learning environments that are usable, equitable, inclusive and sustainable. The

DRC provides FIU students with disabilities the necessary support to successfully complete their education and participate in activities available to all students. If you have a diagnosed disability and plan to utilize academic accommodations, please contact the Center at 305-348-3532 or visit them at the Graham Center GC 190.

For additional assistance please contact FIU's [Disability Resource Center](#).

Academic Misconduct Statement

Florida International University is a community dedicated to generating and imparting knowledge through excellent teaching and research, the rigorous and respectful exchange of ideas and community service. All students should respect the right of others to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students are expected to adhere to a standard of academic conduct, which demonstrates respect for themselves, their fellow students, and the educational mission of the University. All students are deemed by the University to understand that if they are found responsible for academic misconduct, they will be subject to the Academic Misconduct procedures and sanctions, as outlined in the Student Conduct and Honor Code. Academic Misconduct includes:

Cheating

- The unauthorized use of any materials, information, study aids or assistance from another person on any academic assignment or exercise, unless explicitly authorized by the course Instructor;
- Assisting another Student in the unauthorized use of any materials, information, study aids, unless explicitly authorized by the Instructor; and
- Having a substitute complete any academic assignment or completing an academic assignment for someone else, either paid or unpaid; and

Plagiarism

- The deliberate use and appropriation of another's work without any indication of the source and the representation of such work as the Student's own.
- Assisting another Student in the deliberate use and appropriation of another's work without any indication of the source and the representation of such work as the student's own.

Learn more about the [academic integrity policies and procedures](#) as well as [student resources](#) that can help you prepare for a successful semester.

Panthers Care & Counseling and Psychological Services (CAPS)

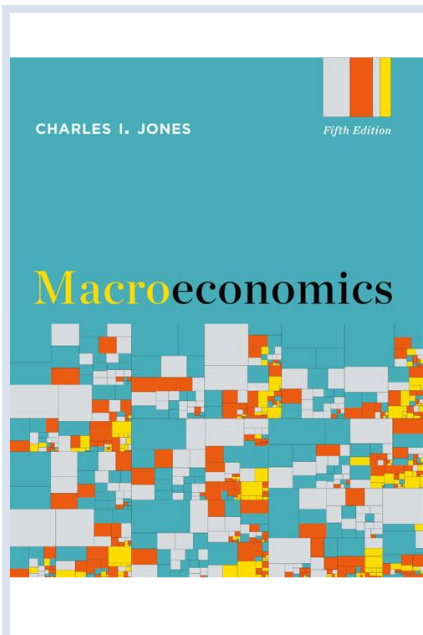
If you are looking for help for yourself or a fellow classmate, Panthers Care encourages you to express any concerns you may come across as it relates to any personal behavior concerns or worries you have, for the classmate's well-being or yours; you are encouraged to share your concerns with [FIU's Panthers Care website](#).

[Counseling and Psychological Services \(CAPS\)](#) offers free and confidential help for anxiety, depression, stress, and other concerns that life brings. Professional counselors are available for same-day appointments. Don't wait to call (305) 348-2277 to set up a time to talk or visit the online self-help portal.

Course Prerequisites

The student should have passed ECO3203 (Intermediate Macroeconomics) and have knowledge of basic calculus and algebra. The content is designed as an advanced (400- level) undergraduate course that provides a bridge to graduate school level of instruction. We will use mathematical tools so please make sure to review your calculus and algebra notes.

Textbook and Course Materials



Textbook Title (Required): Macroeconomics

Textbook Author: Charles I. Jones

Textbook Publisher: Norton

Textbook Date: 6th Edition 2024

Textbook ISBN-13: 978-0-393- 42226-9 (e-option); 978-0-393-41732-6 (hard cover); 978-0-393-41734-0 (paperback)

Textbook Notes: E-option is the least expensive option (\$70); followed by paperback (\$99.40); and hardcover is the most expensive option (\$142)

You may purchase your textbook online at the FIU Bookstore

Expectations of This Course

Students are expected to:

- **review the getting started page** located in the course modules;
- **take the practice quiz** to ensure that your computer is compatible with the learning management system, Canvas;
- **interact** online with instructor and peers;
- **review** and follow the course calendar and weekly outlines;
- **log in** to the course **3 times** per week;
- **respond** to discussions by the due date specified. **No late work will be accepted;**
- **respond** to **emails** within **2 days**;
- **submit** assignments by the corresponding deadline

The instructor will:

- log in to the course **3 times** a week;
- respond to **emails** within **24 hours**;

- grade assignments within **4 days** of the assignment deadline.

Course Detail

Course Communication

Communication in this course will take place via the Canvas Inbox. Check out the [Canvas Conversations Tutorial](#) or [Canvas Guide](#) to learn how to communicate with your instructor and peers using Announcements, Discussions, and the Inbox. I will respond to all correspondences within 24 hours.

Assessments

Exams

In order to mitigate any issues with your computer and online assessments, it is very important that you take the [Practice Quiz](#) from each computer you will be using to take your graded quizzes and exams. Assessments in this course may not be compatible with mobile devices and should not be taken through a mobile phone or a tablet. For more information, please review the [important information about quizzes](#) page.

Exam Expectations:

- **There will be two midterms and a final exam.**
- The duration of and the number of questions in each exam may vary.
- You are allowed to use a simple calculator, pen, scratch paper, (i.e., simple tools for calculations) for all exams and the quiz.
- You have to complete the exams at one sitting.

Quizzes

There will be 10 quizzes throughout the semester, each quiz is worth 2% of your grade. Please see the tentative schedule for the due dates. Each quiz must be taken before the previously announced due date. After the due date, you cannot take the quiz. You can use the textbook and lecture notes when working on the quizzes.

Paper Presentation

The presentation is worth the equivalent of 10 percent of your grade. You will be part of a group comprising 3 or 4 students. Your assignment is to choose one of the articles cited below, and then prepare short presentation (10-12 slides, each student should present 3 or 4 slides) that summarizes the article, assesses its argument, and discusses its implications. Your presentation should be well-prepared and edited, and address the article in an integrated, coherent manner. You may use other references, but you do not have to. I am most interested in how well **you** understand and assess these articles—other sources are unlikely to help much in that activity. Direct any questions you may have about the content of this assignment to me.

The papers below develop DSGE type models to study a research question. They address these questions for a variety of specific cases and treat different issues from a variety of angles. This is due December 4th.

1. The Macroeconomic Consequences of Remittances by Berrak Bahadir, Santanu Chatterjee and Thomas Lebesmuehlbacher
<https://www.sciencedirect.com/science/article/pii/S0022199618300102>
2. Business Cycles in Emerging Economies: The Role of Interest Rates by Pablo Neumeyer and Fabrizio Perri
<https://www.sciencedirect.com/science/article/pii/S0304393205000036>
3. When is the Government Spending Multiplier is Large? By Lawrence Christiano, Martin Eichenbaum, and Sergio Rebelo
<https://www.journals.uchicago.edu/doi/abs/10.1086/659312>
4. Land-price Dynamics and Macroeconomic Fluctuations by Zheng Liu, Pengfei Wang, Tao Zha
<https://onlinelibrary.wiley.com/doi/full/10.3982/ECTA8994>

5. DSGE Models for Monetary Analysis by Lawrence Christiano, Mathias Trabandt, and Karl Walentin
<https://www.sciencedirect.com/science/article/pii/B9780444532381000077>
6. Monetary Policy and Unemployment by Jordi Gali
<https://www.sciencedirect.com/science/article/pii/B9780444532381000107>

Participation through Discussion Forums

Discussion forums will be used to keep track of your participation during the semester. I will not grade your discussion forum postings. However, these postings will serve as participation points. I will post five participation questions and expect you to respond to all these questions. If you respond, you will get the credit for it. Each posting is worth 1% of your grade. Please keep in mind that these postings will likely be seen by other members of the course. Care should be taken when determining what to post.

1. You can participate into discussions in two ways: 1) Posting a new thread (original response to the topic) OR 2) Posting a response to other students' postings
2. There will be 5 discussion forums in total, one in three weeks. You are expected to participate in all 5 discussion topics.
3. Posting should be a minimum of one short paragraph and a maximum of two paragraphs. Word totals for each post should be in the 300-400 words range. Whether you agree or disagree explain why with supporting evidence and concepts from the readings or a related experience.

Please take the following suggestions into account when posting a discussion thread:

1. Include a reference, link, or citation when appropriate. It is plagiarism to use other writers' words and IDEAS.
2. Quotations should generally not be used.

3. Avoid informal language, jargon, and slang. Example: Prefer “It is likely that ...” “It may be the case ...” etc. rather than "I believe" or "I think". Prefer “conducted a study” instead of “did a study” “examined” instead of “looked at” “utilize” instead of “use” (where appropriate) “great deal” instead of “a lot” “furthermore” instead of run-on sentences.
4. Reserve the use of scientific and professional words to the key concepts of your manuscript.
5. Please use scientific results and date with your interpretation using words rather than assuming that the facts speak for themselves.
6. Be organized in your thoughts and ideas.
7. Stay on topic.
8. Provide evidence of critical, college-level thinking and thoughtfulness in your responses or interactions.
9. Avoid summarizing.
10. Be aware of grammar and sentence mechanics.
11. Participation alone is not enough; a thoughtful, meaningful, and respectful approach in your posts is required.

Again, your participation will be not be graded. As long as you respond, you will get the credit for your response. But I encourage you to pay attention to the organization, grammar and content of your contributions.

Grading

The course average will be calculated by averaging the scores of all exams, quizzes, participation, and the short paper using the following weights:

- 1st Exam 20%
- 2nd Exam 20%
- Final Exam 25%

- Participation (Discussion Forums) 5%
- 10 Quizzes 20%
- Paper Presentation 10%

Letter Grade Distribution Table

Letter	Range%	Letter	Range%	Letter	Range%
A	96 or above	B	83 - 86.99	C	70 - 76.99
A-	90 - 95.99	B-	80 - 82.99	D	60 - 69.99
B+	87 - 89.99	C+	77 - 79.99	F	59.99 or less