

**FNCE 613/623:**  
**Macroeconomics and the Global Economic Environment**  
**Fall 2021**  
**Preliminary Syllabus**

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**Office Hours**

By appointment (also available to answer questions over email).

**Course Materials**

- (1) Slides posted online
- (2) Supplemental notes posted online
- (3) Links to readings to be accessed online
- (4) A subscription to the Economist (recommended)
- (5) Macroeconomics by Abel, Bernanke, and Croushore, Pearson, 10/e edition, 2020 (optional)

**Exam Dates**

Exam I: Midterm (613) / Final (623)

Tuesday, October 12, 2pm-4pm for Tuesday / Thursday sections

Wednesday, October 13, 4:30pm-6:30pm for Monday / Wednesday sections

Exam II: Final (613)

Wednesday, December 15, 6pm-8pm for all sections

## Course Objectives

This course will provide students with the foundation to understand important macroeconomic issues and learn how to evaluate the macroeconomic and policy environment in which business decisions are made. The first half of the course, taught by Tim Landvoigt, will introduce fundamental macroeconomic concepts focusing on long-run growth, the components of GDP (consumption, investment, government spending, and net exports), the financial system, and central banks/monetary policy. Students can take the first half as a self-contained half-semester course FNCE 623. The second half of the course, taught by Tom Winberry, will then provide a unified framework to understand these macroeconomic concepts and apply the framework to study business cycle fluctuations. We will focus on current macroeconomic events and the extent to which government policy can or should affect macroeconomic outcomes. Students who take both halves of the course complete FNCE 613. Please also see our course preview video [posted on Wharton's website](#).

## Course Structure

### *Lectures*

Our course is lecture-based and meets twice a week for one hour and thirty minutes each meeting. Most lectures are divided into two parts: developing new economic concepts and applying those concepts to a current policy topic or economic issue. Students are expected to come to class prepared and actively participate.

### *Course website and readings*

The course website is hosted by Wharton's Canvas system. It contains links to lecture slides, recorded class sessions, and other course content. The other content includes course readings, which are short articles drawn from the popular and financial press. These readings are optional, but we post them so that the more enthusiastic students in the class have the chance to learn more and apply the material in class to understanding current events.

### *Optional textbook*

The Abel, Bernanke, and Croushore textbook assigned for this class is optional. Many students succeed without buying the text, but many other students find the text helpful (it can be useful to see the same material from class presented in a slightly different way). We will leave it up to you to figure out what works best for you. We will mark the appropriate readings from the text on the course reading list.

### *Quizzes*

In most weeks, we will post a short (10-15 minute) online quiz on Canvas. The purpose of these quizzes is to give you an incentive not to fall behind on class material. In the past, students have found this commitment device very useful. The quizzes will be easy if you are keeping up to date with the course. We will also post practice questions to help you prepare for the quiz each week.

### *How to succeed*

We will send weekly updates with reminders of what is expected for that week. However, we want to stress that succeeding in this course is simple: come to class prepared, actively participate in lectures, complete the quizzes, and, if desired, do the optional readings and participate in the online discussions.

## **Expectations and Evaluation**

### *Grading*

Your grade will be determined by three components:

- (1) 60% from exams. There is one midterm and one final. For students taking only the first half (FNCE 623), this midterm is the only exam and therefore counts for 60% of the course grade. For students taking the full-semester version (FNCE 613), the higher of your two exams will count for 40% of your grade and the lower of your two exams will count for 20% of your grade. This system allows for some insurance against one poor exam performance.
- (2) 30% from quizzes. There will be 10 quizzes total (5 in each half of the class), but we will drop your lowest quiz grade for FNCE 623 and your two lowest quiz grades for FNCE 613. The last quiz (FNCE 613 only) will be a writing assignment to be discussed at the beginning of class.
- (3) 10% from participation. It is possible to earn two “participation points” each lecture, one for attending the lecture and another for making a comment or asking a question in class. Full credit for participation is 16 participation points for FNCE 623 and 32 participation points for FNCE 613. Full credit is two thirds of the total available participation points (with no extra credit given for going above). For example, if you attend every lecture, then you only need to speak up in  $\frac{1}{3}$  of the lectures in order to earn full participation credit. This system allows you to miss some classes without directly impacting your grade. We know you are busy with many commitments outside of class, so this is our way of providing flexibility to you. For students who are unable to attend lectures in person for a reason verified by the MBA program office (e.g. a medical reason

or visa issue), you may earn the attendance point by watching the lecture video and the participation point by posting in the Canvas discussion thread (more details to come).

All quizzes will be timed and administered online through Canvas. We will typically post the quizzes by Thursday morning of a given week and the quiz will typically be due on the following Monday.

The midterm and final exams will be given during the scheduled midterm and final exam times set by the MBA program office (see front page). The midterm will be an online exam. We will decide on the exact format of the final exam at a later time.

You must work on all quizzes and exams alone. Quizzes are closed-book, but you are allowed a single-sided 8.5" by 11" cheat sheet for the midterm exam and a double-sided 8.5" by 11" cheat sheet for the final exam (in the past, many students have just written on the back of their midterm exam cheat sheet for the final exam cheat sheet).

An exam can be rescheduled only if required by university policy. Any request for a makeup exam as well as notification of disability accommodations must be directly addressed to the MBA Program Office. Students that miss an exam for a valid reason, as determined by the MBA program office, will get the chance to take a make-up exam during the final exam period. In this case, the make-up exam score will replace the score of the missed exam. If a student has excused absences for both exams, the make-up exam will count for 100% of the exam grade.

### *Re-grades*

Regrade requests for the exams must be submitted using the Regrade Request form together with the Statement of Honesty posted on the course website and must be accompanied by your exam. Requests must be submitted within one week from the date the exam is returned (whether or not you actually pick up the exam on that date). For any request, the entire exam will be automatically regraded; meaning, the grade may stay the same, go up, or go down. Any alteration of the exam is therefore strictly forbidden and will be considered a violation of the University's Code of Academic Integrity.

### *Code of Academic Integrity*

Students must adhere to the University's Code of Academic Integrity. Any student found responsible of academic misconduct, cheating, fabrication or plagiarism will automatically fail the class, and the incident will be reported to the MBA Program Office.

## **Communication**

We will send weekly updates before each week of class describing the material that we will cover in class the following week, the material that will be relevant for the next quiz, tips on how to study, the discussion topic for that week, and anything else that comes to mind.

## **Recording Policy**

By attending course sessions, students acknowledge that:

1. They will not: (i) record, share, or disseminate Wharton course sessions, videos, transcripts, audio, or chats; (ii) retain such materials after the end of the course; or (iii) use such materials for any purpose other than in connection with participation in the course.
2. They will not share links to Wharton course sessions with any persons not authorized to be in the course session. Sharing course materials with persons authorized to be in the relevant course is permitted. Syllabi, handouts, slides, and other documents may be shared at the discretion of the instructor.
3. Course recordings, content, and materials may be covered by copyrights held by the University, the instructor, or third parties. Any unauthorized use of such recordings or course materials may violate such copyrights.

## Course Schedule

### First Half (FNCE 613 & 623)

Class	Date MW	Date TTh	Quiz	Topic
1	30-Aug	31-Aug		Introduction and Overview
2	1-Sep	2-Sep		National Income Accounting
3	8-Sep	7-Sep		Measuring Economic Performance
4	13-Sep	9-Sep	#1 (09/13)	Long-run Growth
5	15-Sep	14-Sep		The Solow Model
6	20-Sep	16-Sep	#2 (09/20)	Business Cycles and the Labor Market
7	22-Sep	21-Sep		Consumption and Savings Behavior
8	27-Sep	23-Sep	#3 (09/27)	What determines the real interest rate?
9	29-Sep	28-Sep		Money and Inflation
10	4-Oct	30-Sep	#4 (10/04)	The Fed and The Financial System
11	6-Oct	5-Oct		Monetary Policy and the Yield Curve
12	11-Oct	7-Oct	#5 (10/11)	Review for Exam I
		12-Oct		Tuesday / Thursday Sections 2:00pm-4:00pm Midterm (613) / Final (623)
		13-Oct		Monday / Wednesday Sections 4:30pm-6:30pm Midterm (613) / Final (623)

### Second Half (FNCE 613) TBD

Class	Date MW	Date TTh	Quiz	Topic
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