

ECON 6110-5001, Fall 2022
AGGREGATIVE ECONOMICS
Th 6:00PM-9:00PM, Maurer Center 103

Administrative Details

Instructor: Dr. Isabel Zeng

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Office Hours: TuTh 4:00 – 5:00 pm and by appointments

Prerequisites: ECON 3030 or ECON 5120, MATH 1260 or equivalent

COVID-19 University Protocols

[Learn more](#) about current BGSU COVID-19 guidelines and protocols on our Bowling Green and Firelands campuses. <https://www.bgsu.edu/covid19/university-protocols.html>

Face Coverings

With updated guidance from the Centers for Disease Control and Prevention (CDC) and local health departments, BGSU will no longer require face coverings on its campuses effective Feb. 28, 2022.

Physical Distancing

There is no requirement for physical distancing on campus indoors or outside, but we encourage physical distancing as much as the location allows to reduce the risk of exposure, quarantine or contracting COVID-19. BGSU will work to provide physical distancing options whenever possible for those who wish to continue with this practice.

Positive Test

If you receive a positive COVID-19 test result, please immediately isolate yourself from others.

Course Description

This course is meant to provide an introduction to graduate level aggregative economics and a macroeconomic examination of economic issues. Contemporary economics emphasizes the role of dynamics and general equilibrium theory. Topics covered include, among others, national income, capital accumulation, government institutions, banking sector, demand for money and control of its supply, economic policy-making by the Federal Reserve and its importance for business decision making. The models presented are drawn from classical, Keynesian, neo-classical and new Keynesian theories of economic behavior.

Course Information

All courses documents can be accessed using *Canvas*.

Texts

Any textbook of Intermediate Macroeconomics
Monetary Policy, Inflation, and the Business Cycle, Jordi Galí
Handouts and articles

Evaluation and Grading

Homework Assignments— **40%**

Exam I— **20%**

Exam II— **20%**

Final Exam— **20%** (Thur., Dec. 8, 6:00-8:30 pm)

A	90% -100%	B	80% - 89%	C	70% - 79%
D	60% - 69%	F	0 - 59%		

1. Homework will be assigned as determined by me. To receive credits, homework must be handed in on the specified date due, during class or prior to class time, unless the student has a physician-documented illness or a documented personal tragedy on the due date.
2. I will curve the grades for each exam by adding (or taking) points to (from) everybody. Homework grades will NOT be curved.
3. Make-up exams are permissible only with evidence (such as a doctor's note) of a legitimate excuse. You are responsible to notify me within 2 days of your absence and set up a time for the makeup exam with me. Otherwise, no makeup exam will be scheduled. Make-up exams need to take place **before** the scheduled class exam time.

Honor Code

All work undertaken and submitted in this course is governed by the University's honor code. Bowling Green State University is an academic learning community with high scholarly standards. Compromising academic honesty negatively impacts the foundations and integrity of our learning community. Prohibited acts and mechanisms to address such behavior are found within the [Code of Academic Conduct](#).

In addition, a [dedicated webpage](#) with academic honesty information is now available. The page has links to the Code of Academic Conduct and an FAQ section. The page also provides process flowcharts that summarize how academic dishonesty cases are finalized.

Students who submit assignments that are word-for-word identical in any portions will be considered as cheating.

Excused Absences for University Extracurricular Activities

Students participating in an officially sanctioned, scheduled University extracurricular activity should be given the opportunity to make up class assignments or other graded assignments missed as a result of their participation. It is the responsibility of the student to make arrangements with the instructor prior to any missed scheduled examination or other missed assignment for making up the work.

Course Outline (subject to change)

Topics		Readings
Introduction and Overview		Intermediate Macro
A Real Business Cycle Model		
Households	The Static Behavior of Households	Intermediate Macro
	The Dynamic Behavior of Households	Intermediate Macro
Firms	The Labor Market	Intermediate Macro
	Investment and Capital Accumulation	Intermediate Macro
A Representative Agent Model	The Basic Problem of the Representative Agent	Handouts, Chaps 1-2, Galí
	Dynamic Optimization (Classical Methods)	
	Market Clearing and General Equilibrium	
Exam I		
Some Technical Stuff	Steady States	Handouts, Chaps 1-2, Galí
	Lucas Critique	
	Log-linear Approximation	
Monetary Economy		
Money	Basic Topics of a Monetary Economy	Intermediate Macro
	Money, Inflation and Interest Rate	Intermediate Macro
Flexible Price	Money in Utility Function and Cash in Advance	Handouts, Chap 2, Galí
	Monetary Policy Rules	
Sticky Price	A Dynamic New Keynesian Model	Chap 3, Galí
	Monetary Policy Rules	Chap 4, Galí
Exam II		
Special Topics	Unemployment*	Intermediate Macro
	Economic Growth	Intermediate Macro
	Government Behavior	Intermediate Macro
	Asset Pricing	Handouts
A Model of Agency Cost*		
Credit Demand	An Optimal Financial Contract under Asymmetric Information	Handouts
	Credit Frictions in a Real Economy	
	Credit Frictions in a Monetary Economy	
Credit Supply	Risk Appetite and Financial Intermediations	
Comprehensive Final Exam		

Important University Policies

Code of Student Conduct

Bowling Green State University aspires to create an academic environment grounded in intellectual discovery and guided by rational discourse and civility. Within our learning community, we endeavor to act on our Core Values:

- We respect one another and foster diversity and a culture of inclusion.
- We collaborate with each other and our community partners in the region, the State of Ohio, the nation and the world.
- We promote intellectual and personal growth through curricular and co-curricular efforts.
- We foster an environment of creativity, innovation, and entrepreneurship.
- We expect excellence in all we do.

This Code of Student Conduct is intended to ensure students, as members of our community, and their organizations conduct themselves in accordance with these values including the expectation that all students participate in an environment that respects differences of sex, sexual orientation, race or color, marital status, ethnicity, religion or creed, ancestry, national origin, disability, age, and veteran's status.

This Code thus creates a set of expectations of student conduct, ensures a fair process for determining responsibility when student behavior may have deviated from those expectations and provides appropriate sanctions when a student or student organization has violated the Code of Student Conduct. Every effort will be made to balance the needs and rights of the individual with the welfare of the community as a whole.

Academic Honesty

Students are expected to maintain the highest level of integrity in their academic work. From time to time, however, issues such as cheating, fabrication, or plagiarism in an academic exercise arise. The original jurisdiction and penalty both vary depending on the offense and when it is discovered. Also, there are specific requirements for record-keeping and for notification of the student and academic dean. The official policy is included in the Faculty Handbook (Academic Charter). The policy is also available in the Student Handbook (Codes of Conduct).

Non-Discrimination Policy

Bowling Green State University is committed to providing equal educational opportunity. The University provides access to educational programs and activities without regard to race, sex, sexual orientation, gender identity, gender expression, color, national origin, ancestry, genetic information, pregnancy, religion, age, disability, or status as a veteran. Any grievance regarding alleged discrimination due to race, sex, sexual orientation, gender identity, gender expression, color, national origin, ancestry, genetic information, pregnancy, religion, age, disability, or status as a veteran shall be reported to the Office of Human Resources, 1851 N. Research Drive, 419-372-8421. If both parties are students, complaints should be reported to the Office of the Dean of Students, 301 Bowen-Thompson Student Union, 419-372-2843.

Applying for Services through Accessibility Services

38 College Park

419-372-8495

access@bgsu.edu

To apply for accessibility services, students must submit documentation of their disability for review by AS staff. There is no deadline to apply for services, but students should be advised that the review process can take several weeks. We encourage prospective students to submit their documentation as soon as they have been accepted to BGSU.

The request should include the following:

1. Request for Accommodation or equivalent information
2. Disability Verification Form or equivalent information
3. Most recent IEP, 504 plan, and multi-factored evaluation (MFE), if applicable

Once we've received and reviewed the documentation, we will notify you in writing of your eligibility status. Notification will be sent to your BGSU email account.

Cancellation of Classes in the Event of Severe Weather

The university equally values the safety and lives of all students, faculty and staff, while recognizing that we must maintain the effective operation of the university during inclement weather and other disruptions when possible.

An emergency closing of Bowling Green State University (BGSU) will be implemented only under severe and extreme circumstances. Every effort will be made to maintain classes. However, when health or safety conditions and/or a declared state of emergency due to other factors warrants, the university may delay the opening of the university or specific offices and areas, cancel some or all classes and/or activities, or implement an emergency closing of all or part of the university.

The decision to close the Bowling Green/Perrysburg campus is a consultative process that includes the President/President's designee, President's cabinet members/designees, and the Director of Public Safety/designee. The President or designee will have the final authority to make the decision to close or delay the opening of all or part of the university, cancel some or all classes or activities, or any necessary combination of the modification of normal operations.

Notwithstanding any announcement of a campus closure, students, faculty, staff, guests, and visitors must assume responsibility for their own health and safety, as well as for their class or work responsibilities. Students who do not attend class because they are concerned about their safety should notify their instructors. Individuals who live outside of Wood County or Erie County may find that their county of residence is under a Level 3 Snow Emergency when Wood or Erie County or is not, making it illegal for them to drive in their own county. Students in this circumstance should notify their instructors.

A decision to close a particular campus, delay opening or cancel classes or activities may be based on weather information and road conditions gathered from the BGSU Police Department, the Ohio State Highway Patrol, the County Sheriff's Office, other local police agencies surrounding the particular campus, official weather reports and forecasts, and consultation with BGSU Campus Operations staff. In most cases, the Bowling Green/Perrysburg campus will not close for winter conditions unless the Wood County Sheriff's Office declares a Level 3 Snow Emergency. (See winter weather conditions as defined by the Sheriff's Office under the definitions section.) Decisions made due to other emergencies may be based on information from local law enforcement, local fire officials, local health officials, and BGSU Campus Operations staff.

Once the decision is made to modify operations at a particular campus, all appropriate individuals will be notified through AlertBG texts, email, the BGSU home page, social media, and other means of digital communication. Local media outlets will be notified as well. The Office of Marketing and Communications will notify the university Fact Line (419/372-2445) and local radio and television stations. These include: WBGU-FM (88.1), WFAL-AM (680), WFOB-AM (1430), WOHO-AM (750), WCWA-AM (1230), WLQR-AM (1470), WRON (AM-1400, FM-97.7), WFIN-AM (1330), and WGTE-FM (91.3), WBGU-TV (Channel 27), and the four Toledo television stations (Channels 11, 13, 24 and 36).

Efforts will be made to notify media, send texts and emails, and post BGSU web site announcements at least one (1) hour before the decision takes effect when known in advance. Also, students, faculty and staff may call the university's answering service number (419/372-SNOW) to confirm whether the Bowling Green/Perrysburg campus and/or BGSU Firelands campus is closed or open due to severe weather.