Spring 2023, School of Public and International Affairs, Princeton University
SPI 512b Macroeconomic Analysis for Policymakers
Mon/Wed, 2:40-4:10pm, Robertson 001

Instructor: Carsten A. Holz
Office hour: Monday 4:15-5:15pm, JRR (Julis Romo Rabinowitz) A80
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Preceptor(s):
First 6 weeks: Fangyuan Yi (fyi@princeton.edu)
Second 6 weeks: Dorisz Albrecht (dorisza@princeton.edu) and Juan Manuel Castro Vincenzi
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Course description
Covers the determination of macroeconomic variables – output, employment, and prices – and the policy tools (and choices) used to (try to) achieve particular outcomes, over different time horizons. A central theme is to understand the power and limitations of macroeconomic policy in promoting economic growth and stabilizing the business cycle. The course regularly references real world events.

Objective
Understand the logic of macroeconomic reasoning and apply it in the analysis of economic events and the prediction of economic outcomes. Be able to critically evaluate commentaries on macroeconomic issues.

Approach of this course
The focus of this course is on the ideas / theories of macroeconomics and their application to real-world situations. (It is not on mathematical approaches to macroeconomics.)

Requirements and grading

Assignments	24%	complete 8 (x 3%) out of approximately 10; weekly; on Canvas
Midterm exam	31%	on Wednesday, March 8, in class; closed-book
Final exam	45%	scheduled by the university in the final exam period; closed-book, cumulative with emphasis on material covered since the midterm

Textbook
Mankiw, N. Gregory. *Macroeconomics*. Eleventh edition. New York: Macmillan, 2022.
The course closely follows the textbook. Assignments mostly draw on questions in the textbook.
Textbooks are available at the Labyrinth book store; the Stokes library has a copy on reserve.

Other course materials
We cover additional, typically short readings, such as newspaper articles (available on Canvas).

Class schedule

To be adjusted in accordance with student progress and preferences.

Week 1a Monday, 30 January 2023   Mankiw Chapters 1 & 2
Week 1b Wednesday, 1 February 2023   Chs. 1 & 2

Week 2a Monday, 6 February 2023   Ch. 3
Week 2b Wednesday, 8 February 2023   Breathing space

Week 3a Monday, 13 February 2023   Ch. 4
Week 3b Wednesday, 15 February 2023   Ch. 5

Week 4a Monday, 20 February 2023   Ch. 6
Week 4b Wednesday, 22 February 2023   Breathing space (or in Week 6a)

Week 5a Monday, 27 February 2023   Ch. 7
Week 5b Wednesday, 1 March 2023   Ch. 8

Week 6a Monday, 6 March 2023   Ch. 9
Week 6b Wednesday, 8 March 2023   Midterm exam

Week 7 spring break

Week 8a Monday, 20 March 2023   Ch. 10 [though preferably covered before midterm]
Week 8b Wednesday, 22 March 2023   Ch. 11

Week 9a Monday, 27 March 2023   Ch. 12
Week 9b Wednesday, 29 March 2023   Ch. 13

Week 10a Monday, 3 April 2023   Breathing space
Week 10b Wednesday, 5 April 2023   Ch. 14

Week 11a Monday, 10 April 2023   Ch. 15
Week 11b Wednesday, 12 April 2023   Breathing space, or Ch. 16

Week 12a Monday, 17 April 2023   Ch. 17
Week 12b Wednesday, 19 April 2023   Ch. 18

Week 13a Monday, 24 April 2023   Film?
Week 13b Wednesday, 26 April 2023   Ch. 19

We may draw on elements of Ch. 20 during the course.

The textbook breaks into sets of chapters: Introduction chs. 1-2, classical theory 3-7, growth theory 8-10, business cycle theory 11-15, macro theory and policy 16-20, epilogue

Some data sources

U.S.:
Bureau of Economic Analysis, U.S. Department of Commerce: GDP and more:
    https://www.bea.gov/
Bureau of Labor Statistics: Un/employment and inflation and more: https://www.bls.gov/
FRED (Economic Research, Federal Reserve Bank of St. Louis): various macro series including
    GDP, unemployment, inflation, interest rates, money supply
Economic Report of the President (with c.60 statistics tables at end):
    https://www.whitehouse.gov/wp-content/uploads/2022/04/ERP-2022.pdf

Europe:
Eurostat: https://ec.europa.eu/eurostat
European Central Bank: Euro Area Statistics: https://www.euro-area-statistics.org/ and (with
    more data) 'Statistical Data Warehouse' https://sdw.ecb.europa.eu/

Hong Kong:
Census and Statistics Department: https://www.censtatd.gov.hk/en/
Hong Kong Monetary Authority: https://www.hkma.gov.hk/eng/data-publications-and-
    research/data-and-statistics/

Other countries: Find the data sources yourself. (Feel free to share with instructor.)

World Bank: https://data.worldbank.org/
International Monetary Fund: https://www.imf.org/en/Data
Penn World Tables: https://www.rug.nl/ggdc/productivity/pwt/?lang=en
Bank for International Settlements: https://stats.bis.org/
OECD: https://data.oecd.org/