

Wesleyan University

ECON 302-02: Macroeconomic Analysis

Professor: David J. Kuenzel
dkuenzel@wesleyan.edu
Office: FRANK 416

Spring 2026, MW 10:50-12:10, FRANK 002
Office Hours: M 9-10, W 1.30-2.30,
or by appointment

Macroeconomics is the study of aggregate economic variables (output, prices, unemployment, and investment) and their interactions. In this class, we will focus on two key topics: (i) explaining business cycles in the short and medium run, and (ii) the sources of economic growth over longer periods of time. Over the course of the semester, we will develop a general theoretical framework based on a synthesis of both classical and Keynesian economics. In the process, we will evaluate recent domestic and international economic events.

Prerequisites

ECON 110 and (ECON 103 OR PSYC 200 OR MATH 132). This class requires familiarity with basic microeconomic concepts such as utility and profit maximization. We will also regularly use algebra, calculus and statistics.

Course Materials

Textbook: Olivier Blanchard, *Macroeconomics*, 9th edition (ISBN: 9780138119010).

The ebook version of the textbook is provided to you via the Inclusive Access (IA) option. Through the link provided on top of the Moodle course page you can toggle between being opted-in or opted-out for the IA option until the end of add/drop. If you are opted-in by the end of drop/add, your Student Account will be charged from the Wesleyan R.J. Julia Bookstore.

Moodle: I will post additional readings and other course materials (problems sets, practice exams, etc.) on our Moodle course site during the semester.

In addition to completing the readings for the class, I also require you to follow current macroeconomic events. Good sources of macroeconomic news are *The Economist*, *The Wall Street Journal (WSJ)* or the *Financial Times (FT)*. This is a good way to experience macroeconomics ‘in action’ and to apply the concepts you learn in class to the real world. You can find links to current subscription offers on the Moodle course site. The full online content of the WSJ, FT and *The Economist* can also be accessed free of charge through the [library](#).

Course Requirements

There will be two in-class non-comprehensive midterms and a comprehensive final exam, plus regular problem sets. The weights of the different elements for the final course grade are:

- Problem sets (10%): There will be six problem sets over the course of the semester. Each of them will be assigned one week before the due date. Problem sets are due in class. If you cannot make it to class, you need to contact me and leave your problem set in the collection box next to my office door before class. Late problem sets will not be accepted, and no extensions will be granted. You are encouraged to work together on the problem sets. However, I require an individual write-up by each student.
- Midterm 1 (25%): tentatively scheduled for Monday, March 2.
- Midterm 2 (25%): tentatively scheduled for Wednesday, April 15.
- Final exam (35%): Thursday, May 14, 7-9pm.
- Class participation (5%): I highly value class participation and encourage you to raise questions and to comment on level, pace and the content of the course during the semester. In addition, I will frequently open topics up for discussion. General guidelines for your class participation grade: frequent absences (or tardiness): *C*, demonstration of good understanding of material through occasional participation in class discussion: *B*, frequent participation in class discussion and raising insightful questions: *A*.

Class Organization

You are responsible for completing all assigned readings before coming to class. In the lectures, we will frequently extend the material beyond what you find in the textbook. Prior familiarity with the assigned readings is therefore essential to follow the presented material.

In order to not divert my or the attention of your classmates, the use of cell phones and laptop computers is not permitted during class time. You are allowed to use a tablet to take notes. However, any other usage is not permitted to minimize distractions for others in the classroom. Violations of this policy will lower your class participation grade.

Wesleyan University is committed to ensuring that all qualified students with disabilities are afforded an equal opportunity to participate in, and benefit from, its programs and services. To receive accommodations, a student must have a disability as defined by the ADA. Since accommodations may require early planning and generally are not provided retroactively, please contact Accessibility Services as soon as possible. If you have a disability, or think that you might have a disability, please contact [Accessibility Services](#) in order to arrange an appointment to discuss your needs and the process for requesting accommodations. Accessibility Services is located in North College, rooms 024/218, or can be reached by email at accessibility@wesleyan.edu.

Grading and Exams

Midterm exams will not be given at any other times during the term. In case you miss a midterm exam due to illness or another serious emergency, the weight for your final exam will be increased accordingly. If you are not able to make it to an exam due to a serious reason, you have to contact me on the same day and explain what happened. In any case you will have to show proper valid documentation as soon as possible after the missed exam, such as a doctor's note.

In case you believe a grading mistake has been made on a problem set or exam, you may submit a written request for a re-grade within one week after the assignment was returned. As a result of a re-grade, your grade can go up, down, or stay the same.

In line with [FERPA](#) regulations, no grading information will be shared via email. In case of grading questions, students are encouraged to attend office hours.

Honor Code

I expect you to adhere to the [Wesleyan University Honor Code](#). All submitted work, whether it is an exam or problem set, must be your own. The usage of artificial intelligence generators or software is prohibited in this class and is considered cheating. Although I encourage you to work together on problem sets, I require an individual write-up by each student and I will not tolerate if you copy others' work. Any academic dishonesty will be reported to the Vice President for Student Affairs and the Student Honor Board.

Tentative Course Schedule*

Class	Date	Chapter	Topic	Notes
No class	01/26			
1	01/28		I. Introduction	
2	02/02	2		
3	02/04	2/3		
4	02/09	3	II. The Short Run	
5	02/11	4		Problem Set 1 due
6	02/16	4		
7	02/18	5		
8	02/23	5/6		Problem Set 2 due
9	02/25	6/7		
Midterm 1	03/02			
10	03/04	7	III. The Medium Run	
11	03/23	8		
12	03/25	8/9		
13	03/30	9		Problem Set 3 due
14	04/01	17		
15	04/06	17/18		

16	04/08	18	IV. The Open Economy	Problem Set 4 due
17	04/13	19		
Midterm 2	04/15			
18	04/20	19/20		
19	04/22	20		
20	04/27	10	V. The Long Run	Problem Set 5 due
21	04/29	11		
22	05/04	11		
23	05/06	12		Problem Set 6 due
Final Exam	05/14			

* Subject to change. Check regularly for an updated version on Moodle.

Additional Readings (all available on Moodle): * indicates required reading

I. Introduction

Chapter 2:

*Smith, Talmon J., “U.S. Economic Growth Surged in Third Quarter of 2025,” *The New York Times*, December 23, 2025.

<https://www.nytimes.com/us-economy-consumer-spending>

**The Economist*, “How Countries Calculate Their GDP,” March 26, 2014.

<http://www.economist.com/node/21599744>

The Economist, “Lessons from the happiest countries in the world,” March 20, 2025.

<https://www.economist.com/lessons-from-the-happiest-countries-in-the-world>

The Economist, “Is higher inequality the price America pays for faster growth?” October 14, 2024.

<https://www.economist.com/is-higher-inequality-the-price-america-pays-for-faster-growth>

II. The Short Run

Chapter 3:

*Haltom, Renee (2018), “Jargon Alert: Fiscal Multiplier,” *Federal Reserve Bank of Richmond Econ Focus*, Q4, p. 6.

The Economist, “Fiscal Multipliers: Where Does the Buck Stop?” August 13, 2016.

<http://www.economist.com/node/21704784>

Chapter 4:

**The Economist*, “Quantitative Easing Cost Hundreds of Billions. Was It Worth It?” July 31, 2023.

<https://www.economist.com/quantitative-easing-cost-hundreds-of-billions-was-it-worth-it>

Jakab, Spencer, “The Wacky Negative Interest-Rate Experiment Ends with a Thud,” *The Wall Street Journal*, March 23, 2024.

<https://www.wsj.com/economy/the-wacky-negative-interest-rate-experiment>

Chapter 5:

*Ahmad, Sarah, Georgia Nabors and Louise Sheiner, “How Does Fiscal Policy Affect the Level of GDP?” *Brookings*, February 19, 2025.

<https://www.brookings.edu/articles/how-does-fiscal-policy-affect-the-level-of-gdp/>

Romer, David H. (2000), “Keynesian Macroeconomics without the LM Curve,” *Journal of Economic Perspectives*, 14(2): 149-169.

Chapter 6:

**The Economist*, “The Origins of the Financial Crisis: Crash Course,” September 7, 2013.

<http://www.economist.com/node/21584534/>

Krugman, Paul, “How Did Economists Get It So Wrong?” *The New York Times Magazine*, September 2, 2009.

http://www.nytimes.com/2009/09/06/magazine/06Economic-t.html?_r=0

III. The Medium Run

Chapter 7:

*Bureau of Labor Statistics, “How the Government Measures Unemployment – Where Do the Statistics Come From?”

http://www.bls.gov/cps/cps_htgm.htm#where

**The Economist*, “Why Worries about American Job Losses Are Overstated,” November 30, 2025.

<https://www.economist.com/why-worries-about-american-job-losses-are-overstated>

Chapter 8:

*Mankiw, N. Gregory, “Yes, There Is a Trade-Off between Inflation and Unemployment,” *The New York Times*, August 9, 2019.

<https://www.nytimes.com/2019/08/09/business/trade-inflation-unemployment-phillips.html>

**The Economist*, “What Economists Have Learnt from the Post-pandemic Business Cycle,” January 17, 2024.

<https://www.economist.com/what-economists-have-learnt-from-the-post-pandemic>

Chapter 9:

*Vanek Smith, Stavey, “The Year Ahead 2026: Don’t Freak Out About a Recession,” *The Bloomberg Businessweek*, December 15, 2025.

<https://www.bloomberg.com/features/2025-us-recession-risk/>

IV. The Open Economy

Chapter 17:

*The Economist, “Our Big Mac Index Will Sadden America’s Burger-lovers,” July 16, 2025.

<https://www.economist.com/our-big-mac-index-will-sadden-americas-burger-lovers>

Chapter 18:

*Back, Aaron, “Waiting to Ride Japan’s Export Curve,” *The Wall Street Journal*, March 11, 2014.

<https://www.wsj.com/articles/waiting-to-ride-japans-export-curve>

Hannon, Paul, “Why Weak Currencies Have a Smaller Effect on Exports,” *The Wall Street Journal*, December 27, 2015.

<https://www.wsj.com/articles/why-weak-currencies-have-a-smaller-effect-on-exports>

Chapter 19:

*Stone, Mark, Harald Anderson and Romain Veyrune (2008), “Exchange Rate Regimes: Fix or Float,” *Finance & Development*, March: 42-43.

The Economist, “The Mundell-Fleming Trilemma: Two Out of Three Ain’t Bad,” August 27, 2016.

<https://www.economist.com/schools-brief/2016/08/27/two-out-of-three-aint-bad>

Chapter 20:

*Friedman, Milton, “The Euro: Monetary Unity to Political Disunity?” *Project Syndicate*, August 28, 1997.

<https://www.project-syndicate.org/the-euro--monetary-unity-to-political-disunity>

The Economist, “Can the Euro Go Global?” April 16, 2025.

<https://www.economist.com/can-the-euro-go-global>

V. The Long Run

Chapters 10-12:

*Charles I. Jones (2023), “The Outlook for Long-term Economic Growth,” *NBER Working Paper No. 31648*.

**The Economist*, “Which Countries Have Escaped the Middle-income Trap?” March 30, 2023.

<https://www.economist.com/which-countries-have-escaped-the-middle-income-trap>

Romer, Paul (1994), “The Origins of Endogenous Growth,” *Journal of Economic Perspectives*, 8(1): 3-22.