Instructor: Dr. Dean Croushore  
Office: RSB 333  
Office Hours: Monday & Wednesday 1:30 to 2:30 & by appointment  
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Classroom: RSB 201, MWF 11:30–12:20

Course Description: This is an empirical course in macroeconomics. The course will develop your quantitative skills for examining issues in macroeconomics. You will learn how to investigate macroeconomic data and use tools to test macroeconomic theory. The course will develop two major tools that are useful for advanced study in macroeconomics: (1) forecasting theory and practice; and (2) SAS programming. We will also make extensive use of Excel.

By taking this course, you will: (1) learn the basic theory of forecasting; (2) put that theory into practice by applying the theory to a variety of macroeconomic issues; (3) learn how to use and interpret regional, financial, and macroeconomic data; (4) learn to program in SAS with techniques to analyze and interpret time-series data; (5) understand macroeconomic theory more completely.

Prerequisites: Economics 101, 102, 272; BUAD 201, 301.


Optional Textbook: Any good textbook in Macroeconomic Theory: I recommend Macroeconomics by Abel and Bernanke.

Course Grade: Percentages
- 20 — Midterm Exam
- 20 — Final Exam
- 35 — Daily Assignments
- 20 — Final Paper
- 5 — Class Participation

Exams: There are two exams during the semester, a midterm and a comprehensive final exam. Material on exams is discussed in class or is found in assigned readings. Exams are likely to be take-home exams, as you will be need to program in SAS.
Class Participation: Five percent of your grade is based on class participation, including answering problems assigned for homework. You should come to class prepared every day, which means reading the assigned material and doing the assigned problems at the end of each chapter. You will be called on in class to answer questions.

Grades are based on the amount of participation:
- 5 points = often asks good questions, answers most problems correctly
- 4 points = sometimes asks good questions, prepared to answer most problems
- 3 points = seldom asks good questions, usually prepared to answer problems
- 2 points = sometimes prepared for problems or absent more than twice
- 1 point = not well prepared for problems or absent more than twice
- 0 points = not well prepared for problems or often absent or tardy.

If you miss more than 10 classes during the semester, your grade for the course is a V (equivalent to an F for your GPA).

Daily Assignments: The bulk of the work to be done in this class comes from your hard work outside of class; not from class lectures. Class time will be devoted to macroeconomic theory, interpretation of macroeconomic data, forecasting theory, discussion of economic events, SAS programming issues, and going over daily assignments. Each assignment will be turned in for a grade and must reflect your individual work, except where noted for group projects. You must also keep a log for each project or SAS-related homework assignment.

Final Paper: You will write a paper in which you forecast key macroeconomic variables in one of seven areas: the overall economy; the labor market; household consumption and investment; business investment and production; inflation; financial markets; and the foreign sector. You must also keep a log for the paper showing all your developmental work on the project. I will ask for progress reports on your paper throughout the semester.

Honor Policy: Students are expected to abide by the University of Richmond Honor Code. You must do your own work on all exams and the paper, and sign the pledge on all written work. Learning to program in SAS will not be easy, but working on your own is the best way to learn. Asking a faculty member for help with SAS will be considered a serious honor code violation. You may confer with fellow students about programming in SAS, but such conferences must involve roughly equal contributions from all parties; you may not copy someone else’s program directly (remember: the point is to learn, not necessarily to get a correct answer).

General Policies: Please e-mail me if you must miss class for any reason, preferably in advance. Assignments and some lecture notes will be posted on Blackboard.