

FNCE 6230: MACROECONOMICS & THE GLOBAL ECONOMIC ENVIRONMENT

The Wharton School of the University of Pennsylvania

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Spring 2026

COURSE DESCRIPTION

Macroeconomics and the Global Economic Environment is a half-semester intermediate macroeconomics course that emphasizes current events and policy applications. Designed for business leaders, it equips students with tools to analyze the forces shaping business and financial decisions. The course develops frameworks widely used by policymakers to examine economic growth and business cycles, enabling students to apply macroeconomic insights to informed executive decision-making. Topics include national income accounting, production and economic growth, labor markets, consumption, investment, fiscal and monetary policy, and international trade and finance. By the end of the course, students will be able to assess global economic conditions and engage confidently in strategic discussions.

COURSE MATERIAL

Canvas

The Canvas site contains the syllabus, lecture notes, quizzes, teaching assistants' contact information, and other course resources, and serves as the central hub for course-related communication and discussion. All materials posted on Canvas are protected by copyright and are for use only by students enrolled in this course. They may not be shared, reproduced, recorded, or uploaded to any external platform—including generative AI tools—except through university-licensed systems or with my prior written permission.

Reading Material

Most course material comes from the lecture notes and assigned readings. Lecture notes are available on Canvas, while most readings are drawn from *The Economist*, *The Financial Times*, *The New York Times*, *The Wall Street Journal*, and publications from the Federal Reserve System and the Brookings Institution. These readings are hyperlinked in the syllabus and accessible on Canvas via the @Penn Libraries tab.

The recommended textbook is [*Macroeconomics*](#) (6th ed., 2025) by Charles I. Jones (**Jones**). Readings from Jones complement our class discussions and are listed in the course outline. In addition, I have included references to [*Macroeconomics*](#) (11th ed., 2024) by Andrew B. Abel, Ben S. Bernanke, and Dean Croushore (**ABC**), another excellent textbook I frequently use.

Course concepts will be closely tied to current events, so staying informed on economic news throughout the semester is important. I recommend subscribing to *The Economist*, *The Financial Times*, *The New York Times*, *The Wall Street Journal*, or a similar publication. Selected articles from these sources may be added to the required readings during the semester. I also strongly recommend listening to the [Marketplace](#) or [Bloomberg Surveillance](#) podcast for daily news and economic insights.

GRADING

Grades are based on one final exam (75%), three quizzes (15%), and class participation (10%). Class participation includes arriving prepared to discuss the assigned material and contributing in a curious, respectful, and meaningful way to lectures and discussions. The course offers an opportunity to engage in constructive dialogue on the geopolitical, economic, and financial environment, with the goal of developing a deeper, evidence-based understanding of economic developments.

Regular attendance and active engagement are essential to both your own learning and the learning of your classmates. Wharton students are selected in part for the perspectives and experiences they bring to the classroom, and consistent participation is therefore expected. Absences should be limited to personal emergencies. **Attendance is required to pass the course, and students must make a good-faith effort to attend class.** You cannot receive a passing grade without attending the majority of class sessions, whether absences are excused or unexcused. Assigned seating will be used to facilitate engagement, and attendance will be monitored continuously throughout each class session using video validation. Punctuality is expected, as late arrivals disrupt the learning environment.

All students must adhere to the [MBA Code of Ethics](#), the [Code of Academic Integrity](#), and the [Wharton Learning Agreement](#), which together promote a respectful, ethical, and engaged learning environment. These policies—covering ethics, academic integrity, respect, and class attendance—are strictly enforced.

Examinations

The final exam is scheduled for Monday, March 2, at 7:00 PM. The exam will be conducted in person and administered online via Canvas using the [LockDown Browser](#). Students are responsible for downloading, installing, and testing the LockDown Browser prior to arriving for the exam. Any technical issues related to the LockDown Browser should be directed to Courseware at courseware@wharton.upenn.edu.

The final exam is comprehensive and closed-book. **Students may bring one single-sided 8.5" × 11" sheet of handwritten notes.** Handwritten notes must be written in pen or pencil on paper; typed or printed notes—including those created on an iPad or other tablet—are not permitted. The exam will cover material from the entire course. Your notes page may contain only your original handwritten notes and may not include reproduced or copied course materials, including slides, solution manuals, answer keys, or any other unauthorized content. Please write your name in the top-left corner of your notes sheet and submit it to the proctor at the conclusion of the exam. The back of the notes sheet may be used as scratch paper.

During the exam, students may use a basic calculator (a built-in calculator will also be available within the Canvas exam interface) and a pen or pencil. Cell phones and any devices with communication, storage, or internet capabilities are strictly prohibited.

All students are required to adhere to the [MBA Code of Ethics](#) and the [Code of Academic Integrity](#). Any use of unauthorized materials, technology, or assistance—including generative AI tools or other electronic resources—constitutes a violation of academic integrity and will be addressed in accordance with Wharton and University policies.

The exam may be rescheduled only if required by university policy and only during the official make-up period. Any requests for regrades must be specific and submitted within one week of the date exam grades are released.

Quizzes

Three quizzes will be available on Canvas to reinforce key concepts and help prepare you for the final exam. Your quiz grade will be the average of your best two scores. Due dates are listed below and in the course outline section of the syllabus.

You may collaborate on quizzes with other students; however, each student must submit their own answers individually by 11:59 PM on the due date. Late submissions and regrade requests will not be accepted. Quiz statistics and answers will be posted on Canvas shortly after the due date.

QUIZ #	TOPIC	AVAILABLE ON	DUE BY 11:59pm ON
1	Macro data, production, and economic growth	Monday, January 26	Sunday, February 1
2	The labor market, consumption, and investment	Wednesday, February 4	Sunday, February 15
3	Business cycles and U.S. monetary policy	Wednesday, February 18	Sunday, February 22

CLASS RECORDINGS

To balance access to recordings with class engagement and fairness to all students, I will release all recordings to enrolled students after the last class session—before the final exam. This approach has proven effective in addressing most concerns while fostering a sense of equity among students. It allows everyone to review the material before the exam and significantly reduces individual requests related to recruiting or personal emergencies. Additionally, students recognize that trying to catch up on all the material just before exams is challenging, encouraging consistent engagement throughout the term.

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GENERATIVE AI POLICY

Generative AI can be a valuable tool to support learning in this course. **Students may use Wharton-licensed ChatGPT Enterprise to assist with their learning outside of class. Use of the School's licensed platform is required, as it protects students, faculty, and the School and safeguards the intellectual property of this course.** Uploading or using course materials on any generative AI platform other than Wharton-licensed ChatGPT Enterprise constitutes a breach of the [MBA Code of Ethics](#) and the [Code of Academic Integrity](#) and may result in disciplinary or legal action.

CONTACT INFORMATION

Most course information is available on Canvas, **and all questions related to course material should be posted on Canvas**. I am happy to answer brief, focused questions on Canvas, as it allows me to clarify concepts efficiently and share information with the entire class. Please refrain from posting or emailing questions that are already addressed in the course materials, including the syllabus.

Email: alandry@wharton.upenn.edu

Office hours: Tuesdays, 9:00-10:00 AM

Location: MBA Program Office, JMHH Suite 300

Teaching Assistants

<u>Name</u>	<u>Email address</u>	<u>Office hours</u>
Andrew Carton	acarton@wharton.upenn.edu	Wednesday, 5:00-6:00 PM
Irena Huang	irena@wharton.upenn.edu	Friday, 9:00-10:00 AM
Thiago Gomes	tgomes@wharton.upenn.edu	Thursday, 10:30-11:30 AM
Anika Limaye	alimaye@wharton.upenn.edu	Tuesday, 1:00-2:00 PM
Allie Shapiro	alliesh@wharton.upenn.edu	Monday, 12:00-1:00 PM
Kyle D'Souza	kdsouza@wharton.upenn.edu	Tuesday, 10:30-11:30 AM

Office hours will begin during the week of January 26. Some teaching assistants will hold in-person office hours, while others will hold them online. Online office hours will be conducted via Zoom and are accessible through the Zoom tab on Canvas.

COURSE SCHEDULE

LECTURE #	DATE	TOPIC
1	Wednesday, January 21, 2026	Macroeconomic Data
2	Monday, January 26, 2026	Production and Economic Growth
3	Wednesday, January 28, 2026	The Labor Market, Wages, and Unemployment
4	Monday, February 2, 2026	Consumption and Saving Decisions
5	Wednesday, February 4, 2026	Investment and Goods Market Equilibrium
6	Monday, February 9, 2026	Business Cycles and the Phillips Curve
7	Wednesday, February 11, 2026	Aggregate Demand and Aggregate Supply
8	Monday, February 16, 2026	The Federal Reserve and U.S. Monetary Policy
9	Wednesday, February 18, 2026	Trade, Exchange Rates, and International Finance
10	Monday, February 23, 2026	The Government and the Macroeconomy
11	Wednesday, February 25, 2026	FNCE 6230 Lessons and Review Session
	Monday, March 2, 2026	NO CLASS—FINAL EXAM at 7:00 pm

COURSE OUTLINE AND READING LIST**Wednesday, January 21: Macroeconomic Data**

Topics: National income accounting, Gross Domestic Product (GDP), income and wealth, nominal and real economic variables, price indices and inflation, nominal and real interest rates, the Fisher equation

Readings: **ABC** Ch. 2 and **Jones** Ch. 2

- [3 Theories of What's Going On With Contradictory Economic Data](#), by Jason Furman in *The New York Times*, December 2025.
- [How does the government measure inflation?](#) Brookings, June 2021

Monday, January 26: Production and Economic Growth

Topics: The production function, capital and labor inputs, Total Factor Productivity, diminishing marginal products, production and shocks to labor, capital and productivity, capital and labor inputs allocation, sources of economic growth and income differences across countries

Readings: **ABC** Ch. 3.1 and **Jones** Ch. 4

- [Productivity during and since the Pandemic](#), *FRBSF Economic Letter*, November 2024
- [Europeans are becoming poorer. 'Yes, we're all worse off.'](#) *The Wall Street Journal*, July 2023, and a follow-up article: [Europeans have more time, Americans more money. Which is better?](#) *The Financial Times*, April 2024

QUIZ #1 due on Sunday, February 1

Wednesday, January 28: The Labor Market, Wages, and Unemployment

Topics: Labor demand and labor supply, income and substitution effects, labor market equilibrium, full-employment output, U.S. wealth and income inequalities, unemployment and the current state of the U.S. labor market, the natural rate of unemployment, the Beveridge Curve, Okun's law

Readings: **ABC** Ch. 3.2-3.6 and **Jones** Ch. 7

- [Immigration and Changes in Labor Force Demographics](#), *FRBSF Economic Letter*, November 2025
- [The Recent Slowdown in Labor Supply and Demand](#), *FRBSF Economic Letter*, January 2026
- [Has pay kept up with inflation?](#) Brookings, January 2026

Monday, February 2: Consumption and Saving Decisions

Topics: Consumption and saving decisions, the lifetime budget constraint, the utility function, the Euler equation, the permanent-income hypothesis, borrowing constraints, Ricardian equivalence, consumption as a random walk, precautionary savings, empirical evidence on consumption

Readings: **ABC** Ch. 4.1 (including Appendix 4.A) and **Jones** Ch. 16

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Wednesday, February 4: Investment and Goods Market Equilibrium

Topics: Components of physical investment, the firm's investment decision, the firm's desired capital stock, the user cost of capital, investment and the corporate income tax, the goods-market equilibrium, saving and investment equilibrium, the real interest rate

Readings: **ABC** Ch. 4.2-4.3 and **Jones** Ch. 17

- [The Investment Implications of Weaker Labor Supply](#), Notes on the Week Ahead, August 2025
- [What is the neutral rate of interest?](#) Brookings, October 2023
- [Underlying Trends in the U.S. Neutral Interest Rate](#), *FRBSF Economic Letter*, April 2025
- [Why are interest rates so low? Part 1](#), [Part 2](#), and [Part 3](#), by Ben Bernanke, April 2015

QUIZ #2 due on Sunday, February 15

Monday, February 9: Business Cycles and the Phillips Curve

Topics: Business cycle trends and fluctuations, actual and potential output, firms' pricing behavior, the Phillips curve, the role of inflation expectations

Readings: **ABC** Ch. 11.2 and 12 and **Jones** Ch. 12

- [The Phillips Curve](#), Brookings, August 2018.
- [Yes, There Is a Trade-Off Between Inflation and Unemployment](#), *The New York Times*, August 2019
- [What are inflation expectations? Why do they matter?](#) Brookings, June 2022.

Wednesday, February 12: Aggregate Demand and Aggregate Supply

Topics: The IS curve, the monetary policy rule, the aggregate demand curve, the aggregate supply curve, the AS/AD framework, the liquidity trap, the dangers of deflation, expectations and economic activity, understanding the impact of the Covid-19 pandemic on economic activity

Readings: **ABC** Ch. 9.5-9.6 and **Jones** Ch. 13

- [Is Demand or Supply More Important for Inflation?](#) *FRBSF Economic Letter*, June 2025

Monday, February 16: The Federal Reserve System and U.S. Monetary Policy

Topics: The Federal Reserve System, the Federal Open Market Committee, the Federal Funds market, open market operations, conventional and unconventional monetary policy, the Taylor rule, the term structure of interest rates, financial stability

Readings: **ABC** Ch. 14.2-14.5

- [Why is the Federal Reserve Independent, and What Does That Mean in Practice?](#) Brookings, December 2025
- [How Does the Fed Define "Maximum Employment"?](#) Brookings, February 2022
- [How Quickly Do Prices Respond to Monetary Policy?](#) *FRBSF Economic Letter*, April 2024

Wednesday, February 18: Trade, Exchange Rates, and International Finance

Topics: Trade and capital flows, open-economy goods-market equilibrium, fiscal policy and the current account, the nominal and real exchange rates, exchange rate movements and trade flow, interest rates and exchange rate movements, open-economy AS/AD, international transmission of business cycles and monetary policy shocks.

Reading: **ABC** Ch. 5 and 13 and **Jones** Ch. 20

- [The Economic Effects of Tariffs](#), *FRBSF Economic Letter*, November 2025

QUIZ #3 due on Sunday, February 22

Monday, February 23: The Government and the Macroeconomy

Topics: U.S. government spending and revenue, government debt and deficits, fiscal policy and aggregate demand, the fiscal multiplier, sustainability of public debt.

Readings: **ABC** Ch. 15.1-15.3 and **Jones** Ch. 18

- [What is discretionary spending in the federal budget?](#) Brookings, July 2023
- [The Long-Run Fiscal Outlook in the United States](#), *FRBSF Economic Letter*, February 2024
- [America's Coming Crash](#), by Kenneth Rogoff in *Foreign Affairs*, August 2025

Wednesday, February 25: FNCE 6230 Lessons and Review Session

FINAL EXAM—MONDAY, MARCH 2 at 7:00 PM