COURSE OBJECTIVE
Economics is about how people and institutions make decisions when confronted with multiple choices. In particular, Economics most often focuses on issues of allocation of goods and services, although these are no longer the only topics that economists study today. Economics is divided into two fields: Microeconomics and Macroeconomics. Microeconomics studies the behavior of economic individuals or "agents" (i.e. the consumer, the firm, the household), whereas Macroeconomics specializes in the study of the aggregate behavior of these "agents" when looked at as a group (i.e. countries, economic trading blocks, and so on). This course will be an introduction to the study of Macroeconomics.

In particular, the macroeconomic topics that will be our subjects of study will be:

- How economists think. What are the major principles of the science of Economics.
- Three important questions that macroeconomist study: What causes growth, what are trends (business cycles) and what causes them, and what is inflation. We will learn about how to measure GDP and the cost of living.
- The Classical (general equilibrium) Model for looking at the economy: Demand and Supply. The behavior of the economy in the long run. The role of consumers and producers, and the role of the government and taxation.
- Savings and Investment: the determinants of growth.
- Aggregate Demand and Aggregate Supply. The business cycle and the influence of fiscal and monetary policy on inflation and unemployment.
- Economic dynamics; how does the economy move? Difference equations. We will also study the theory of rational expectations to analyze monetary policy.

TEXTBOOK

MEETING SCHEDULE
This section of ECON 2020 is scheduled to meet on M, W, F, 2:00 to 2:50 p.m. in room 142 of the Chemistry Building.

GRADING
The following criteria will be used to assign your grades:

1. Recitation (20%). There will be 4 (maybe more) home works. Your T.As, will decide how to grade these. Each of the home works will be due every Monday before class. Home works will be available on the web, and the answers will have to be submitted on line.

2. Exams (80%). There will be 2 1 hr. long midterm exams during the semester, and 1 final exam. The two midterms will have the same weight as the final, and the grade from the exams will be calculated as follows: 70% coming from the grade from both midterms or from the final, whichever is highest. The rest 30% coming from the lower of the final or the midterms. The midterms will take place in the regular classroom, during regular class hours, on: (these dates subject to change)
   - Midterm I: To Be Announced.
   - Midterm II: TBA
   - Final: on scheduled

In addition I usually give extra points to students that improve from one exam to the next. If your second exam has a score at least 5% higher than the first one, I will add 2% points to your Exams grade. The
same applies to the final.
The scale that I will use to determine your grades is:

<table>
<thead>
<tr>
<th>GRADE</th>
<th>Percentage Range</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>93% to 100%</td>
<td>9%</td>
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<tr>
<td>A-</td>
<td>90% to 92%</td>
<td>2%</td>
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<tr>
<td>B+</td>
<td>87% to 89%</td>
<td>2%</td>
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<tr>
<td>B</td>
<td>83% to 86%</td>
<td>3%</td>
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<tr>
<td>B-</td>
<td>80% to 82%</td>
<td>2%</td>
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<tr>
<td>C+</td>
<td>77% to 79%</td>
<td>2%</td>
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<tr>
<td>C</td>
<td>73% to 76%</td>
<td>3%</td>
</tr>
<tr>
<td>C-</td>
<td>70% to 72%</td>
<td>3%</td>
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<tr>
<td>D+</td>
<td>67% to 69%</td>
<td>2%</td>
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<tr>
<td>D</td>
<td>63% to 66%</td>
<td>3%</td>
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<tr>
<td>D-</td>
<td>60% to 62%</td>
<td>2%</td>
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<td>Below 60%</td>
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<td>0%</td>
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HOMEWORKS
Homeworks will be available on the website for the course. Homeworks have to be completed and handed in to your TA's for grading.

Each homework will consist of a set of multiple choice problems to be solved, and occasionally a problem or essay to turn in on paper.

COURSE CONTENTS AND COVERAGE
We will cover Chapters 1-21 of Mankiw:
- Part 2: Fundamental Tools of Supply and Demand, Ch 4-8
- Part 3: The Economy in the Long Run, Ch 12-14.

It is an ambitious schedule. After this course, you will be familiar with the major perspectives of Economics. With practice you will be more accustomed to thinking like an economist and you will be able to approach some important issues of our daily life from a new, more critical point of view.

GENERAL POLICIES
There will be no make-up exams and no home works accepted after the deadline. No excuses or exceptions If you will need extra time on any of the exams, please contact me as soon as possible.
If you have a scheduling problem for the final exam, please contact me as soon as possible.
All University deadlines on adding, dropping, etc. will be observed.

MINIMUM EXPECTATIONS IN CLASS
It is specially important that an atmosphere which facilitates the maximum opportunity for learning be present at all times. Although attendance is an expectation for all students, it is not a requirement. However, there is a positive relationship between class attendance and performance in the course. Course material not in the textbook will be presented so attending lecture is helpful to getting a good grade and maximizing your learning experience. It is expected that all students present on a given day, be attentive, polite and not a source of distraction to the instructor or any other student. Questions and comments, of course, are always encouraged! Every effort will be made to make the classroom experience both productive and enjoyable for all.