

**University of Colorado**  
**Course Syllabus**  
**ECON 2020: Principles of Macroeconomics**  
*Spring 2012*

*Instructor:* Chris McMahan  
*Office:* ECON 313  
*Email:* [mcmahanc@colorado.edu](mailto:mcmahanc@colorado.edu)  
*Office Hours:* M 12:00 PM – 1:00 PM, W 7:00 AM – 8:00 AM, and by appointment  
*Class Time:* MWF 11:00 AM – 11:50 AM  
*Classroom:* MCDB A2B70

**Textbooks:**

- 1- Required: Paul Krugman and Robin Wells, *Macroeconomics in Modules*, 2<sup>nd</sup> edition, 2011, ISBN 1429289740. \*This is ISBN for the cheaper, loose leaf version of the text. You're welcome to buy the more expensive, bounded version with ISBN 1429287292.)
- 2- Suggested: Paul Krugman and Robin Wells, *Macroeconomics in Modules Study Guide*, 2nd edition, 2011, ISBN 142929079X.

**Prerequisites:**

ECON 2010 – Principles of Microeconomics. You must also be competent in basic algebra and graphing skills in order to pass this class.

**Course Overview:**

This course is intended to give an introductory look at macroeconomic topics. It will provide you with the tools necessary to be able to converse intelligently on economic events and policies, derive and solve basic economic models, and continue your economic studies at intermediate and advanced levels.

**Course Components:**

**Recitation – 17.5%**

- Your TA's will provide a syllabus that outlines how this portion of your grade will be determined. Recitations begin meeting the second week of class.

**3 Midterms – 17.5% each**

- Midterms will be held on **February 15, March 21, and April 25**. Midterms will not be cumulative. They will be predominantly multiple choice but may also contain some short answer and true/false questions.

**Final Exam – 30% or 20%:**

- The final will be on **Thursday, May 10 at 7:30AM**. It is cumulative. The final will be predominantly multiple choice but may also contain some short answer and true/false questions.

**Participation– 10% or 0%:**

- Throughout the semester I will gauge participation by giving y'all the opportunity to use your clickers to sign in, take quizzes, and complete in-class assignments. Your participation score will count for 10% of your overall grade IF IT HELPS YOU. If this is the case, your final exam will be reduced to 20% of your overall grade. If you are caught cheating with the clickers, you will receive a 0% for participation, your final exam will only be worth 20%, and your best midterm score will be reduced to 0%.

**\*\*\*Notice no grades will be dropped\*\*\***

## **Tentative Course Outline:**

Unless otherwise specified, we will cover topics in the order below.

<u>Modules:</u>	<u>Topic:</u>
Modules 1-4, 10:	An Introduction to Macroeconomics. We'll discuss the differences between microeconomics and macroeconomics, define some key terms, contemplate the circular-flow diagram, and re-introduce the production possibility, opportunity cost, and gains from trade.
Modules 11-15:	Calculating Economic Performance. We'll take a deeper look into some of the key terms from the previous section including GDP, unemployment, and inflation.
Modules 16-21:	National Income and Price Determination. In this section, we'll introduce a new model for evaluating the economy, the Aggregate Demand – Aggregate Supply Model, and we'll learn how the government can affect the economy through fiscal policy.
Modules 23-24:	What is money? We'll discuss different functions of money, what types of money exist, a brief history of the dollar, and what economists mean by the "time value of money."
Modules 22, 25-26:	The Financial Sector. We'll discuss the basics of the financial system, financial assets (stocks, bonds, mutual funds, etc.), the roles of banks, and the Federal Reserve System.
Modules 27-29:	Monetary Policy. We'll extend the AD-AS Model to consider economic policies the Federal Reserve can employ to help expand or stabilize the economy through changes in the money supply and interest rates.
Modules 30-34:	Inflation and Public Debt. We'll consider the implications of running a large public debt, a hot topic in Washington. We'll also discuss why economics care about inflation and what extreme cases have done to some economies.
Modules 35-36:	A brief overview of the evolution of macroeconomic thought.
Modules 41-44:	International Trade and Finance. We'll discuss how many national economies come together to form a world economy. How does money flow from one country to another? What is GNP? The current account? What is an exchange rate and how can governments manipulate it for a purpose?
Modules 37-40, 45:	Putting it all together, we'll look at the long run economic growth, compare growth in different countries, and discuss some case studies that help highlight why some countries do well while others struggle.

## **Grading Scale:**

<u>Your Score</u>	<u>Grade</u>	<u>Your Score</u>	<u>Grade</u>
93-100%	A	73-76%	C
90-92%	A-	70-72%	C-
87-89%	B+	67-69%	D+
83-86%	B	63-66%	D
80-82%	B-	60-62%	D-
77-79%	C+	≤59%	F

## **Attendance Policy**

You are responsible for all material covered in class. I will lecture on material that is not covered in the text. If (okay, when) I mention in class that my favorite singer-songwriter is Norah Jones or that I have a Justin Bieber singing toothbrush, that may be on an exam. ALL MATERIAL COVERED IN LECTURES, HOMEWORK/IN-CLASS ASSIGNMENTS, RECITATION, AND ASSIGNED READINGS IS FAIR GAME FOR EXAMS.

### **Will there be make-up exams?**

No.

Due to the large class size, I cannot make exceptions for jobs, birthdays, dates with celebrities, etc. If you have a conflict, you should talk to me the first day of class; however, I will most likely suggest that you drop the course or find a way to reschedule your outside conflict.

### **Office hours:**

My office hours will be Mondays from 12:00 PM to 1:00 PM, Wednesdays from 7:00 AM to 8:00 AM, and by appointment. Office hours are for your benefit. Please use them. If you have a conflict and cannot make office hours, email me and we will set up another time to meet.

### **Email:**

Please be considerate with your use of email. If you email me a question about lectures or homework assignments, I will most likely encourage you to talk to me about it during my office hours. If it is not urgent and I feel the whole class can benefit from the answer, I will address it in the following class or in a mass email. YOU SHOULD ALWAYS USE PROPER EMAIL ETIQUETTE, although I may not ☺. If you are unclear on what constitutes proper email etiquette, ask me... or Google... or outsource your email drafting to India at [www.taskseveryday.com](http://www.taskseveryday.com).

### **Disability Policy:**

If you qualify for accommodations because of a disability, please submit a letter from Disability Services to me in a timely manner so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322.

### **Religious Observance Policy:**

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. If you have a conflict, please contact me at the beginning of the semester so we can make proper arrangements.

### **Honor Code:**

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-725-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion).