

Econ 2020 – Principles of Macroeconomics

Summer 2012 – Term B – MTWRF 9:15-10:50 – Hale 230

Instructor: Zach Ward

E-mail: Zachary.A.Ward@colorado.edu

Office: Economics 14 (Located in the basement of the Economics Building)

Office Hours: MW 12:30-1:30, TR 11:00-12:00

Website: Desire 2 Learn

Course Description:

This is an introductory course to macroeconomics. Microeconomics is the study of decisions made by smaller units such as individuals or firms, while macroeconomics explores how the overall economy functions. Macroeconomics focuses in on inflation, unemployment and economic growth. We will pay close attention to government's role in the macroeconomy, specifically monetary (Federal Reserve) and fiscal policy (for example, American Recovery and Reinvestment Act or the stimulus package). Understanding the basics of the financial system is extremely important for learning how the macroeconomy and governments operate, so we will also focus on the operations of banks.

We live in an extremely interesting world. The past few years have befuddled some economists, and have shown there is no straightforward answer to economic woes of our times.

Books:

N. Gregory Mankiw. Principles of Macroeconomics, 6th Edition.

You can find this at the bookstore, but for those freshman or newcomers to the buying textbooks world, you will find very quickly that online prices for used textbooks almost always beat bookstore prices.

Optional: Tyler Cowen. The Great Stagnation: How America Ate the Low-Hanging Fruit of Modern History, Got Sick, and Will (Eventually) Feel Better.

I will use some ideas from this book as we go through class, so feel free to buy it (you can get either an e-book or hardcover at amazon.com). It is short, well-written, easily accessible, and has some very important ideas. The Economist named it one of the most important books of 2011.

Prerequisites:

You must have taken ECON 2010 (Principles or Intro to Microeconomics), and be familiar with basic graphing techniques.

TAs:

Xin Zhao - xin.zhao@colorado.edu

Grading

- **Midterm 1 – 25%**
 - **Midterm 2 – 25%**
 - **Recitation – 25%**
 - ***Best 2 of the Above 3 – 50%***
 - **Final – 35%**
 - **Clickers – 15%**
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Note: I will drop the lowest grade of Midterm 1, Midterm 2, and Recitation. Make-ups for exams will not be given for *any* reason. The Final will not be dropped. You must meet with me personally to discuss grades, I cannot release information via email.

Midterm 1 – 25% - Thursday, July 19th (tentative)

Midterm 2 – 25% - Wednesday, August 1st (tentative)

Midterms will consist of both multiple choice and short-answer questions. You will need to bring blue books for short-answer questions – they can be found at the bookstore. The midterms will be given in the classroom (Hale 230) during the second half of class (10-10:50). I will provide more information on the format of the exams as they approach.

Recitation – 25%

These recitations are led by your section leader and will meet weekly. **Recitations will start the 2ND WEEK OF CLASSES (start the week July 16th).** Your recitation leader will decide how the recitation grade will be determined, and it will be a combination of quizzes and homework. This is a four credit course with one credit coming from the recitation (thus 25% of the grade), so I expect you to take it seriously. TAs are an EXTREMELY VALUABLE resource and please go to their office hours as much as possible if you have a question.

Clickers – 15%

You need to get and register a CU Clicker for this course. Clickers will be used to answer questions that are posed periodically throughout class. To get full credit in this section, you will be present in class and answer the question correctly. Each clicker question will be worth 2 points, 1 for participation and one for getting the answer correctly. Your lowest 9 clicker questions will be dropped.

Final – 35% - Friday, August 10th, 9:15-10:50

The final exam will be cumulative. About half of the final will cover topics since the second midterm, and the first half will cover topics previous. The questions on the first half of the final will not be too technical, but will cover topics that any student of macroeconomics should understand. The final will be completely multiple choice.

Review Packets

After a chapter has finished, I will post review questions on D2L. Answers will be included. I highly recommend studying these questions throughout the semester as they will be reflective of exam questions.

Laptop/Classroom Respect Policy

Economics is a class that is full of graphs. There is no reason why you need a laptop in this class – thus laptops are not allowed in the classroom. Powerpoints are posted online and you can feel free to print them out and bring them to class. Please refrain from texting and talking, it's important not to distract other people's education and my attention.

Grades

If you achieve a percentage that falls below, you will be guaranteed that grade. Grades will be rounded up from .50 (for example, 92.50 → 93%).

<u>Percentage</u>	<u>Grade</u>	<u>Percentage</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+	<60%	F

Tentative Course Outline:

Below are the topics that I want to cover, but this is tentative and as the semester continues topics may be added or dropped.

<u>Chapter:</u>	<u>Topic:</u>
1-3	Review of PPF, Thinking like an Economist, and Models
10	Measuring a Nation's Income
11	Measuring the Cost of Living
12	Production and Growth
13	Saving, Investment, and the Financial System
14	The Basic Tools of Finance
15	Unemployment
16	The Monetary System
17	Money Growth and Inflation
18	Open-Economy Macroeconomics: Basic Concepts
19	A Macroeconomic Theory of the Open Economy
20	Aggregate Demand and Aggregate Supply
21	The Influence of Monetary and Fiscal Policy on Aggregate Demand
22	Short-Run Tradeoff between Inflation and Unemployment
23	Six Debates over Macroeconomic Policy

ADDITIONAL NOTES**Students With Disabilities**

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services 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, and www.colorado.edu/disabilityservices. Disability Services' letters for students with disabilities indicate legally mandated reasonable accommodations. The syllabus statements and answers to Frequently Asked

Questions can be found at www.colorado.edu/disabilityservices.

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 term so we can make proper arrangements.

Classroom Behavior Policy

Students and faculty each have responsibility for maintaining an appropriate learning environment. Students who fail to adhere to such behavioral standards may be subject to discipline. Faculty has the professional responsibility to treat all students with understanding, dignity and respect, to guide classroom discussion and to set reasonable limits on the manner in which they and their students express opinions.

Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records.

See policies at <http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_cod

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; 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). Other information on the Honor Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>.

Discrimination & Harassment Policy

The University of Colorado Policy on Sexual Harassment applies to all students, staff and faculty. Sexual harassment is unwelcome sexual attention. It can involve intimidation, threats, coercion, or promises or create an environment that is hostile or offensive. Harassment may occur between members of the same or opposite gender and between any combinations of members in the campus community: students, faculty, staff, and administrators. Harassment can occur anywhere on campus, including the classroom, the workplace, or a residence hall. Any student, staff or faculty member who believes s/he has been sexually harassed should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH and the campus resources available to assist individuals who believe they have been sexually harassed can be obtained at: <http://www.colorado.edu/odh/>