

ECON 2020 – 010

PRINCIPLES OF MACROECONOMICS

Spring 2010 Syllabus

Instructor:	Soojae Moon
Class Time:	MWF 9:00 – 9:50 am
Classroom:	HLMS 201
Email:	smoon@colorado.edu
Course Website:	https://webfiles.colorado.edu/smoon
Office:	ECON 414
Office hours:	MW 10:00 - 11:00 am, or by appointment
Teaching Assistant: (TA)	Christopher McMahan (christopher.mcmahan@colorado.edu)

COURSE DESCRIPTION

Economics 2020 is an introductory course in economics designed to acquaint students with the basic tools of macroeconomic analysis. Concepts introduced in Economics 2020 offer insights into real world phenomena and to measures that help address domestic and world economy issues. Macroeconomics is the study of the economy as a whole. It examines the aggregate behavior of the economy. This is different from microeconomics, which is the study of the economic behavior of individual consumers, firms, and industries. We will study how economists model the relationships between aggregate economic variables and examine how various fiscal and monetary policies can affect the results.

COURSE OBJECTIVES

The main goal of this class will be to improve your economic literacy and ability to apply economic models to analyze world events. Our study of the entire economy will involve three basic steps. The first step will be to measure the economy's performance. We will study how the government agencies measure some important magnitudes such as the total output of the economy, the unemployment, and the price level. The second step will involve the study of different theories that might explain the observed data. The last step will entail the question of the optimal policies. For example, what was the effect of the "stimulus package" proposed by President Obama on the economy? What is the economic impact of the war in Iraq on the US economy?

Notice that our approach to the economy resembles the approach of a doctor to a patient. The first step a doctor takes is to measure patient's pulse. This resembles our measuring of economic performance. Next, the doctor will try to make a diagnosis of the patient's situation. For this purpose the doctor will use the theory of how the human body works. Similarly, economists are using theory of how the economy works in order to make diagnosis of the state of the economy. The last step for a doctor would be to recommend a treatment. Similarly, economists are trying to recommend the best policy for a given economy.

REQUIRED TEXTBOOK AND OTHER READINGS

Paul Krugman and Robin Wells, *Macroeconomics*, Worth Publishers, Second Edition. (Textbook Website: http://bcs.worthpublishers.com/krugmanwells_macro2/)

I will provide handouts in advance. Please print out before the class and bring it to each lecture. All handouts and relevant materials will be posted in course website.

Reading economic news in the *New York Times*, *Wall Street Journal*, *The Economist*, or other reputable sources is suggested. Following economic news will make your education more meaningful, and will help you make a better impression on the job market: prospective employers are impressed with candidates who are informed and can articulate intelligent opinions about what's happening in the world.

Aplia Econ Blog (News for Econ Students): <http://econblog.aplia.com>

NY Times: <http://www.nytimes.com>

Wall Street Journal: <http://online.wsj.com>

The Economist, weekly magazine: <http://www.economist.com>

- For someone who is interested in a subscription: you can subscribe with a discounted student rate at <http://www.economistacademic.com/>

COURSE LEVEL & PREREQUISITES

Principles of Microeconomics (ECON 2010) and high school algebra. Students should be familiar with the concepts of supply and demand and be comfortable using equations, graphs, and tables.

GRADING

Your grade for this course will be based on midterms, recitation, final and extra credits. Your grade will be determined as follows:

Midterm 1: 20%

Midterm 2: 20%

Midterm 3: 20%

Final: 40%

Extra credits: x%

Total: 100% + x%

Recitation will also be worth 20%. Your recitation grade will replace your midterm grade if: (1) your recitation grade is higher than your lowest midterm grade, or (2) you miss any midterm exams for any reasons.

Extra credits may be offered in the main class.

Grading Scale

Your Score	Grade	Your Score	Grade
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

EXAMS

The exam format of midterms and a final is all **multiple-choice questions**.

(1) Midterm Examinations: There will be three midterm examinations. Each midterm exam will take place during usual class time in the usual classroom. Each midterm is weighted in as 20% of your total course grades. Midterm exams will not be cumulative, but the material builds upon itself, so it is important to understand each concept along the way. Exam questions will be based on materials covered in lecture. I will announce before each exam the topics that will be covered. There will be no make-up midterms for this class. In the case you miss a midterm exam, your recitation grade will take its place. This is another good reason to attend recitation.

(2) Final Examination: A Final Examination is a mandatory. You will not be able to drop your Final Exam score. Every student has to attend the final exam. Final exam is weighted in as 40% of your total grade. Final exam will include all materials we study for the whole semester. If you have more than three final exams scheduled for May 6th, you can take the final on another day. Please contact me to arrange your final exam schedule if this is the case.

Please bring a #2 pencil and a **non-graphing** calculator to every exam. **Cell phone calculators are not allowed.** All exams will be held in the usual classroom. Midterm 1 will take place on **Friday, February 12th**. Midterm 2 will take place on **Friday, March 12th**. Midterm 3 will take place on **Friday, April 16th**. **The final exam will be cumulative** and will be held in the usual classroom on **Thursday, May 6th from 7:30 AM to 10:00 AM**.

RECITATION

Recitations are intended to help students learn the material covered in lectures and readings. The smaller classes make students valuable opportunities for working on problems and asking questions with somewhat more individualized attention. During recitation, the TAs will review material that is presented in lecture, as well as provide you with more examples and practice problems to prepare you for the exams.

Recitation counts for **20%** of your total course grade and grading policy depends on your TA. I recommend you to attend all of the recitation classes, and perform well in his tests. Your TA will describe his grading policy and what is expected of you during your first recitation. **Recitation begins the week of January 19th, 2010.** If you miss any midterm exams for any reasons, your recitation grade will take its place.

TENTATIVE COURSE SCHEDULE

The following is the *tentative* schedule of topics to be covered in the course. This schedule is subject to change. We will cover roughly one topic each week. Since exam dates are fixed, they will cover only the material that has been finished.

Week	Topic	Chapters
1 (Jan. 11, 13, 15)	Macroeconomics: The Big Picture	Ch. 6 (1st & 2nd ed.)
2 (Jan. 20, 22)	Tracking the Macro Economy	Ch. 7 (1st & 2nd ed.)
3 (Jan. 25, 27, 29)	Savings, Investment Spending, and the Financial System	Ch. 9 (1st ed.) or Ch. 10 (2nd ed.)
4 (Feb. 1, 3, 5)	Aggregate Supply and Aggregate Demand	Ch. 10 (1st ed.) or Ch. 12 (2nd ed.)
5 (Feb. 8, 10, 12)	Midterm 1: Friday, February 12th	Review
6 (Feb. 15, 17, 19)	Fiscal Policy	Ch. 12 (1st ed.) or Ch. 13 (2nd ed.)
7 (Feb. 22, 24, 26)	Money, Banking, and the Federal Reserve System	Ch. 13 (1st ed.) or Ch. 14 (2nd ed.)
8 (Mar. 1, 3, 5)	Monetary Policy	Ch. 14 (1st ed.) or Ch. 15 (2nd ed.)
9 (Mar. 8, 10, 12)	Midterm 2: Friday, March 12th	Review
10 (Mar. 15, 17,19)	Unemployment and Inflation	Ch. 15 (1st ed.) or Ch. 8 (2nd ed.)
11 (Mar. 22, 24, 26)	Spring Break	No classes
12 (Mar. 29, 31, Apr. 2)	Inflation, Disinflation, and Deflation	Ch. 16 (1st & 2nd ed.)

13 (Apr. 5, 7, 9)	Long-Run Economic Growth	Ch. 8 (1st ed.) or Ch. 9 (2nd ed.)
14 (Apr. 12, 14, 16)	Midterm 3: Friday, April 16th	Review
15 (Apr. 19, 21, 23)	Macroeconomics: Events and Ideas	Ch. 17 (1st & 2nd ed.)
16 (Apr 26, 28, 30)	Catch up & Review	Ch. 6 - Ch. 17

Final Exam: Thursday, May 6th 7:30am - 10:00am

Important Dates (Again):

First day of our class:	Monday, January 11th
Recitations Begin:	Tuesday, January 19th
Midterm 1:	Friday, February 12th
Midterm 2:	Friday, March 12th
Midterm 3:	Friday, April 16th
Spring Break:	March 22nd – 26th
Last Day of Class:	Friday, April 30th
Final Exam:	Thursday, May 6th from 7:30 am – 10:00 am

TUTORING

The Department of Economics provides a free drop-in tutorial lab for undergraduates enrolled in Economics courses at CU-Boulder.

CLASS WEBSITE AND E-MAIL

Check your e-mail and class website regularly! All handouts and practice problems for each topic are posted in class website. In addition, you will also find all other information relevant to this course. I will also use e-mail to send out various announcements regarding lectures, exams, assignments, etc. Any comments, suggestions and questions are always welcome.

ADDITIONAL INFORMATION

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, and <http://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 semester 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 have 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.

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 <http://www.colorado.edu/academics/honorcode/>.

Discrimination & Harassment Policy:

The University of Colorado at Boulder policy on Discrimination and Harassment (<http://www.colorado.edu/policies/discrimination.html>), the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty. Any student, staff or faculty member who believes she/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status 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 regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.