

PRINCIPLES OF MACROECONOMICS -HONORS SECTION

ECON 204; Section 220, Recitation 90

9:30-10:45 Eddy 119

Instructor: Dr. Nancy Jianakoplos
Office: C318 Clark
Office Hours: 2-4 p.m. Tuesday and Thursday or by appointment
Phone: (office) 491-6537 (voice mail after 5 rings)
(home) 491-9722 (fax) 491-2925
E-mail: Nancy.Jianakoplos@colostate.edu
Class Web Site: <http://ramct.colostate.edu>
Textbook Web Site: <http://www.mhhe.com/fb4e>

Friend:

Friend's Contact Information:

COURSE DESCRIPTION

This course introduces students to the fundamental concepts of macroeconomics, the study of the aggregate economy, including: A) the basic problems, paradigms, and principles of economics; B) the functioning of the macro economy in the long run, economic growth, and policy; C) the functioning of the macro economy in the short run, economic recessions, and expansions; D) the effectiveness of macroeconomic stabilization policies, such as monetary and fiscal policy, to deal with issues of unemployment and inflation; and E) the international aspects of macroeconomics, including exchange rates and the balance of payments.

COURSE OBJECTIVES

By the end of the semester students will be able to:

- A) interpret the meaning and significance of important indicators of overall economic activity.
- B) use macroeconomic models of the economy to explain long-run and short-run fluctuations in the macro economy.
- C) use macroeconomic models to evaluate the ability of government monetary and fiscal policies to deal with contemporary policy issues, such as unemployment, inflation, trade imbalances, and shocks to aggregate economic activity.
- D) analyze how the macroeconomic problems of unemployment, inflation, trade imbalances, and aggregate economic shocks affect diverse groups in the national and international economy.

COURSE STRUCTURE AND POLICIES

Required Text

Frank and Bernanke. *Principles of Macroeconomics*. 4th edition, 2009,
ISBN: 978-0-07-336265-6 **OR**

Frank and Bernanke. *Principles of Macroeconomics*. Brief edition, 2009,
ISBN: 978-0-07-723182-8

Online versions of the textbook are available at www.coursesmart.com (at approximately half price.)

Lectures and Recitations

There will be no distinction between class time scheduled for lecture versus recitation. Students are responsible for the material covered in the lectures, the recitations and the material in the assigned chapters of the text. You will receive the greatest benefit if you read the chapter before class. You are expected to print out the lecture notes in advance of each class.

Midterms

(600 possible points) There will be three (3) in-class midterm exams consisting of 30 multiple choice questions each. Each midterm is worth 300 points. Only the best two midterm scores will count toward your grade. Midterms are scheduled as follows:

Midterm 1	Tues., Feb. 17
Midterm 2	Tues., Mar. 31
Midterm 3	Tues., Apr. 21

THERE WILL BE NO MAKEUP MIDTERMS! If you must unexpectedly miss a midterm, you must present written evidence of a medical or family emergency. If you know in advance that you will be unable to take a midterm, contact the professor as soon as possible to make other arrangements. In general, with an acceptable reason, you may be able to arrange to take an exam early, but **never** late.

Macroeconomic Analysis Reports

U.S. Report

(180 possible points) During the month of March, each member of the class will individually write a macroeconomic analysis of the U.S. economy. The objectives of this project are to: make you aware of the current state of the U.S. economy, learn how to find the most recent U.S. economic data, write a brief business report using standard written English, and formulate an evaluation of the U.S. economy based on the evidence you collect and your knowledge of macroeconomic measures and models. You will collect the most recent data becoming available during the month of March for the following data series: the level and growth rate of real GDP, rate of inflation, unemployment rate, interest rate on the 3-month Treasury bill, exchange rate between the U.S. dollar and the Euro, growth rate of the M2 money supply, federal government budget deficit/surplus, and U.S. trade deficit/surplus. You will prepare a 3-4 page double-spaced typewritten report that contains: a summary of the data, an analysis of the economic meaning of these data, and an evaluation of the overall state of macroeconomic activity. The instructor will make available a sample Macroeconomic Analysis Paper. You may organize your paper in a similar way, but you **MAY NOT PLAGIARIZE** the sample. More information about the requirements for the paper will be posted on RamCt.

You must submit **two** copies of your paper: 1/ an electronic version of your paper to turnitin.com following the directions posted on RamCt and 2/ a paper version in class. Papers are due in class on **Tuesday, April 7, 2009**. A penalty of 20 points per 24 hours beyond the due date will be assessed on all late papers.

Foreign Report

(220 possible points). During the month of April, each member of the class will

individually complete a macroeconomic analysis of a country of their choice (other than the U.S.). This report will be a modified version of the U.S. Report. These modifications will include some changes in the data to be collected and the time period covered given the reduced availability of economic data in many other countries. More information about the requirements for the paper will be posted on RamCt.

You must submit *two* copies of your paper: 1/ an electronic version of your paper to turnitin.com following the directions posted on RamCt and 2/ a paper version in class. Papers are due on **Tuesday, April 28, 2009**. A penalty of 20 points per 24 hours beyond the due date will be assessed on all late papers.

Tuesday Tests

(100 possible points) At the beginning of class on each Tuesday except for the first week of class and Tuesdays when Midterm exams are scheduled, there will be a short quiz. You will be asked to answer one of the Review Questions at the end of the chapter assigned for that class. Only the best 10 of the 11 quizzes will count in your grade.

Thursday Discussions

(100 possible points) Each student will organize and lead a 5-10 minute discussion at the end of class on one Thursday during the semester. The dates of the discussion assignments will be made on **Tuesday, January 20, 2009**. Discussions content should focus on some aspect of the assigned chapters, news items or information from the publisher's website, or other material approved in advance by the professor.

Final Exam

(300 possible points) The final exam will be held on **Tuesday, May 12, 2009** from **1:30-3:30 p.m.** You must be able to provide written evidence of any medical or family emergency which causes you to unexpectedly miss the final exam as scheduled. In general, with an acceptable reason, you may be able to arrange to take an exam early, but **never** late.

Grades

Your course grade will be determined by adding together the points earned as follows:

<u>Activity</u>	<u>Possible Points</u>	<u>Percent</u>
Midterm Exams (best 2 of 3)	600	40%
U.S. Report	180	12%
Foreign Report	220	14.6%
Tuesday tests (best 10 of 11)	100	6.7%
Thursday discussion	100	6.7%
Final Exam	<u>300</u>	<u>20%</u>
TOTAL	1,500	100%

Each student is responsible for retaining graded midterms, quizzes, and papers in order to verify points earned. The guaranteed maximum grading scale is:

A :	1350 points or more +
B+:	1305-1349 points
B:	1200-1304 points

C+:	1155-1199 points
C:	1050-1154 points
D+:	1005-1049 points
D:	900-1004 points
F:	fewer than 900 points

The professor reserves the right to lower the scale.

Appeals

You have one week after each midterm is first returned to turn in to the instructor a written appeal. Your appeal should state specifically for which questions you believe additional points should be awarded. The instructor reserves the right to regrade the entire exam, not just the questions under appeal.

Extra Credit

One extra credit assignment worth 35 points is posted on RamCt. This assignment must be turned in on Thursday, **Jan. 29, 2009**. No extra credit assignments will be accepted after 10:45 a.m. on Thursday, Jan. 29, 2009.

Extra credit coupons valid for 1 point of extra credit may be distributed during lectures to deserving students who answer questions correctly or otherwise deserve credit at the discretion of the instructor.

Alternative Testing

If you require special accommodation during examinations, please contact the instructor at least one week before the scheduled examination in order to coordinate testing with Resources for Disabled Students. The student is responsible for obtaining the appropriate verification and paper work.

Academic Integrity

As per university policy, "Any student found responsible for having engaged in academic dishonesty will be subject to academic penalty and/or University disciplinary action." (*General Catalog 2008-2009*, p. 41). Any academic dishonesty in this course will result in a grade of "F" for the course and will be reported to the Office of Conflict Resolution and Student Conduct Services.

Please be aware that the General Catalog specifically identifies the following examples of academic dishonesty: cheating in the classroom, plagiarism, unauthorized possession or disposition of academic materials, falsification, and facilitation of cases of academic dishonesty.

Cheating in the classroom is defined as follows:

"Cheating includes using unauthorized sources of information and providing or receiving unauthorized assistance on any form of academic work. Examples include copying the work of another student on an exam, problem set, or quiz; taking an exam or completing homework for another student; possessing unauthorized notes, study sheets, answer codes, programmed calculators, or other material during an exam or other graded paper results." (General Catalog 2008-2009, p. 41).

Plagiarism is defined as follows:

"Plagiarism includes the copying of language, structure, ideas, or thoughts of another, and representing them as one's own without proper acknowledgment. Examples include a submission of purchased research papers as one's own work; paraphrasing and/or quoting material without properly documenting the source." (General Catalog 2008-2009, p. 41).

EXPECTATIONS

I have the following expectations regarding your responsibilities and behavior in this class:

- (1) **I expect you to read the syllabus and to make yourself aware of all requirements and deadlines associated with this class.** "I didn't read the syllabus" is not an acceptable excuse for failing to meet any requirements or deadlines.
- (2) **I expect you to behave with respect toward the instructor and other students in the class.** Talking or texting during class, reading newspapers or surfing the internet, sleeping, coming in late or leaving early are not acceptable forms of behavior and disturb the other people in the class. If you can not attend class in a respectful manner, then do not come to class!
- (3) **I expect you to devote adequate time and effort to learn macroeconomics.** The instructor can not learn for you. You should attend class, read the textbook, and "practice", if you wish to succeed in this course. You are not required to attend class, but it would be wise to do so. You should spend at least 6 hours each week outside of class learning macroeconomics, if you wish to succeed. "I have a job" is not a valid excuse for not putting in the time and effort required to be successful in this course.
- (4) **I expect you to ask for help, if you need it.** The instructor is available outside of class to help you, but you must initiate the contact. The sooner you seek help, the better!

Class Schedule

Tues. Jan. 20	Introduction	
Thurs. Jan. 22	Measuring GDP	Ch. 4
Tues. Jan. 27	Real/Nominal GDP	Ch. 4
Thurs. Jan. 29	Measuring Prices	Ch. 5
	Extra Credit due	
Tues. Feb. 3	Deflating/Indexing	Ch. 5
Thurs. Feb. 5	Inflation	Ch. 5
Tues. Feb. 10	Employment	Ch. 6
Thurs. Feb. 12	Unemployment	Ch. 6
Tues. Feb. 17	MIDTERM 1 (Chapters 4-6)	
Thurs. Feb. 19	Macroeconomic Analysis Report Information	
Tues. Feb. 24	Average labor productivity	Ch. 7
Thurs. Feb. 26	Growth	Ch. 7
Tues. Mar. 3	Saving	Ch. 8
Thurs. Mar. 5	Investment	Ch. 8
Tues. Mar. 10	Financial Markets	Ch. 9
Thurs. Mar. 12	Money	Ch. 9
	SPRING BREAK	
Tues. Mar. 24	Banks	Ch. 9
Thurs. Mar. 26	Money and Prices	Ch. 9
Tues. Mar. 31	MIDTERM 2 (Chapters 7-9)	
Thurs. Apr. 2	Overview of Short-Run Fluctuations	Ch. 10
Tues. Apr. 7	Aggregate Expenditures	Ch. 11
	U.S. Macroeconomic Analysis Report Due	
Thurs. Apr. 9	Fiscal Policy	Ch. 11
Tues. Apr. 14	Federal Reserve	Ch. 12
Thurs. Apr. 16	Monetary Policy	Ch. 12
Tues. Apr. 21	MIDTERM 3 (Chapters 10-12)	
Thurs. Apr. 23	Aggregate Demand	Ch. 13
Tues. Apr. 28	Aggregate Supply	Ch. 13

Tues. Apr. 30	Foreign Macroeconomic Analysis Report Due Flexible Exchange Rates	Ch. 15
Tues. May 5	Fixed Exchange Rates	Ch. 15
Thurs. May 7	Review	
Tues. May 12	FINAL EXAM (Ch. 4-13, 15) 1:30-3:30 p.m. Eddy 119	