

Economics 2020 Principles of Macroeconomics

Fall 2006 University of Colorado at Boulder

Instructor: Samuel Raisanen

Office: Econ 12 (In the basement of the Econ Building, across from the vending machines)

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Office hours: Tuesday 3:20-4:50, Wednesday 11-12:30, By Appt.

Course website: <http://webfiles.colorado.edu/raisanes>

Lecture: Tuesday-Thursday, 12:30-1:45pm in MCDB A2B70

Teaching Assistants (TA): Lauren Calimeris, Stephen Nicar

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Required Text: • **Krugman, Paul and Wells, Robin, (2006), Macroeconomics, Worth Publishers** – I would suggest looking for used/new copies online before buying at the bookstore to compare prices. Also, the best strategy for doing well in class and understanding the material is to read the corresponding textbook chapters before class.

Course Description: Macroeconomics is the economics field of study that considers aggregate behavior, and the study of the sum of individual economic decisions. This is in contrast to microeconomics, the study of the economic behavior of individual consumers, firms, and industries. We will study the principles of macroeconomics with special emphasis on government policy and goals such as economic growth, price stability, full employment and the attainment of a sustainable balance of payments. The main goal of this class will be to improve your economic literacy and help you informatively question the actions of policymakers and economic institutions such as the Federal Reserve and the World Bank. To facilitate this, a portion of the course will focus on reading articles with economic relevance for class discussion

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

Lectures: In lecture, new material will be presented that will follow topics from the textbook, but may differ in emphasis. All students are expected to attend lecture regularly. Besides all the obvious reasons to attend lecture, some exam questions will not be covered in the text but only covered in lecture. In the off chance that you miss a lecture, you should try to get lecture notes from a fellow student, if they are willing to share. I don't give students my notes as they are only outlines of topics to discuss and will not be of much help to you. Lectures will also include a discussion of assigned articles. As article analysis will be part of the exams missing lecture is not recommended.

Recitation:

Attending recitation is required. Recitation will focus on problem solving and serves to bridge the gap between the lecture materials and numerical problems on the exams. It will be an opportunity to ask questions in a smaller setting than the lecture and will compose 15% of your final grade.

Exam Preparation/Textbook Website:

In order to help prepare for exams and solidify concepts from class, a number of resources are available.

- 1) The course webpage <http://webfiles.colorado.edu/raisanes> has a set of review problems by economic topic and also has answers to these problems. Students are encouraged to work on these problems and check them at their own pace. We will not go over them in class though recitation instructors may at their discretion.
- 2) The Krugman and Wells textbook Microeconomics has a number of online problems and a review of different concepts that are helpful for topics that students are having trouble grasping. You will need to register as a student on the website for access to this material. The website is <http://bcs.worthpublishers.com/krugmanwellsmacro/default.asp?s=&n=&i=&v=&o=&ns=0&uid=0&rau=0>
- 3) Articles for reading will be posted on my website as well. I will let you know one class in advance which article you should have read for the next class. Approximately one class a week will require you read an article.

Grading: Your course grade will be based on two midterm exams, your recitation grade, and a cumulative final exam. Exam dates are listed below. The breakdown of grades is as follows: 25% for each of midterm exams, 15% for recitation, and 35% for the final exam. There will also be one opportunity for extra credit after the second midterm.

Letter grades will be assigned as follows:

93.00 – 100.0 %	... A
90.00 – 92.99 %	... A-
88.00 – 89.99 %	... B+
83.00 – 87.99 %	... B
80.00 – 82.99 %	... B-
78.00 – 79.99 %	... C+
73.00 – 77.99 %	... C
70.00 – 72.99 %	... C-
68.00 – 69.99 %	... D+
63.00 – 67.99 %	... D
60.00 – 62.99 %	... D-
59.99 – 0.00 %	... F

Examinations: The midterm exams will take place during regular class time in the regular class room on the dates listed below. They will be multiple-choice exams and will be graded by Scantron, so be sure to remember a #2 pencil. You'll probably also want to bring a calculator (no cell phone calculators). The format of questions will be standard multiple choice including a number of "article analysis" multiple choice questions (think reading section of the ACT or SAT exam). Exam questions will be based on material covered in the book and/or in lecture. A majority of the questions will test your memory and understanding of the definitions and concepts covered, and a minority of the questions will test your ability to synthesize the material and apply the concepts in a new context. I'll talk more about each exam as the exam date approaches.

Since this is a large class, **make-ups for any exam are allowed only under compelling circumstances.** Under such a compelling circumstance, you are almost always required to make prior arrangements before the exam. Typically a make-up exam will be administered prior to the actual exam date and never later than 1 week past the exam date.

Important Dates:

Classes Start: Monday, August 28th

Recitations Start: Tuesday, September 5th

Exam 1: Tuesday, October 10th

Exam 2: Thursday, November 16th

Last Day of Class: Friday, December 15

Final Exam: Saturday, December 16, 7:30 a.m. - 10:00 a.m.

Course Topics:

Topic	Textbook Chapters
Introduction	
Supply and Demand Review	3
Intro to Macro	6
Measuring the Macroeconomy	7
Savings, Investment	9
Aggregate Demand/Supply	10
Income/Expenditure	11
Fiscal Policy	12
Money	13
Monetary Policy	14
Labor Markets	15
Inflation	16
Modern Macro	17
Growth	

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/>

Expectations of Classroom Behavior:

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

See policies at

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

Absences:

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. Please notify me as soon as possible so that the proper arrangements can be made. Students can see full details at http://www.colorado.edu/policies/fac_relig.html

Disabilities Statement:

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 <http://www.Colorado.EDU/disabilityservices>.

Time extensions for exams must be approved by me prior to the exam. If you have not talked to me personally prior to the exam you will not be granted an extension.

Disability Services' letters for students with disabilities indicate legally mandated reasonable accommodations. Other letters/requests you may receive from agencies such as the Wardenburg Student Health Center, or other health providers, such as physicians or counselors, are recommendations you may choose to follow to assist students but are not necessarily legal mandates. The syllabus statements and answers to Frequently Asked Questions can be found at <http://www.colorado.edu/disabilityservices>