

# Principles of Macroeconomics

Revised May 21

Econ 2020-2, Summer 2012, Levi Pace, levi.pace@utah.edu

University of Utah, Department of Economics

Class: T/TH 9:00 AM – 12:00 PM, OSH 102

Office: OSH 343 #4, T/TH 1-2pm and by appointment

## *Course Description:*

Macroeconomics makes connections between output, employment, and prices under a variety of circumstances. Collectively, households and businesses—for example, by working and spending, selling and hiring—determine the direction the economy will go, as do fiscal and monetary policies set by the government. Economic theory helps us understand the economic recovery underway and gives us tools for discussing economic issues in the short-run and over long-term. We will learn macroeconomics from current events, our own experiences, and great economists of the past.

## *Course Objectives:*

Students who successfully complete this course will be able to:

- Discuss recent and historical events in the economy with added insight and depth
- Write about economics with logical clarity and ethical awareness
- Express one's own role in the economy, individually and as a member of society
- Use graphs to explain various economic situations
- Describe the economy using correct terminology
- Identify factors that lead to economic growth and human well-being around the world
- Distinguish between the short run and the long run for economic mechanisms and outcomes
- Explain and predict the economic impact of various fiscal and monetary policies

## *Learning materials:*

**Macroeconomics:** Paul Krugman, Robin Wells, 2<sup>nd</sup> edition, Worth Publishers, 2009, ISBN-10: 0-7167-7161-6.

**Course Website on [Canvas](#):** for lecture materials, homework assignments, grades and other resources.

**Business News (optional):** Wall Street Journal, Economist, New York Times, Business Week, Bloomberg, business sections of Salt Lake Tribune or Deseret News, and others.

### *Course Requirements:*

**Exams:** Four exams cover class lectures and assigned readings. Exam questions are about half multiple choice and half short answer. To prepare, students have many resources, such as the textbook, their notes from class, chapter quizzes, answer keys to homework assignments, materials from lecture posted online, classmates, and the instructor in and out of class. 10% of exam scores come from corresponding homework assignments. Please speak with the instructor *in advance* about conflicts you have with exam dates.

**Homework:** Selected end-of-chapter problems from the text are given as homework due as part of each exam. Questions that are similar to homework questions will appear on exams. Homework grading is based on completeness and effort. On the other hand, responses on the exams will be graded carefully for correctness. Homework answer keys will be posted on Canvas. Group work is encouraged. Students who work together may submit one assignment with multiple names on it. Students in groups will be asked to evaluate other group members.

**Quizzes:** Online quizzes help students solidify key concepts from each chapter. Questions that are similar to quiz questions will appear on exams. Books, notes and teamwork may be used during the quizzes. These can be completed anytime through August 2, but students are encouraged to take them as we cover the corresponding chapters in class.

**News Report:** Students will have an opportunity to give a 2-3 minute report in front of the class on something they find interesting in the news that relates to economics. Students post a half-page write-up on Canvas, including a clear reference to the news source. More instructions are available in the “News Report” module. Students should sign up in advance for which day they will give their presentations.

**Activities:** During selected class meetings, participation credit will be given for special activities outside our classroom. The Data Project involves looking up a variety of economic data online. The Federal Reserve branch downtown has offered to give us a tour. The Policy Project allows a simulation for monetary and fiscal policy based on actual U.S. data. A worksheet may be required along with attendance these days.

**Extra Credit (Responses):** Students may optionally respond to up to ten application and opinion questions. At least two of the questions invite creativity. Each satisfactory response is worth half a percent in extra credit for up to 5%. Answer as many of the ten as you like. See the “Responses” folder.

*Recommended Learning Habits:*

**Attend Class:** Lectures not only review concepts from the textbook, but also include discussions, activities, outside information and exam reviews. Make an effort to be an active learner in class.

**Read the Text:** Krugman’s *Macroeconomics* is worth reading. Keep up with reading as best you can.

**Use Online Resources:** Visit our course website often so you don’t miss anything important.

*Grading:*

Exams, 20% each includes homework	80%
Quizzes	8%
News report presentation and write-up	6%
Activities	6%
Reponses (extra credit)	up to 5%

<i>Grading Scale</i>		
	<i>Score</i>	<i>GPA</i>
A	93 and above	4.0
A-	90-93.9	3.7
B+	87-89.9	3.3
B	83-86.9	3.0
B-	80-82.9	2.7
C+	77-79.9	2.3
C	73-76.9	2.0
C-	70-72.9	1.7
D+	67-69.9	1.3
D	63-66.9	1.0
D-	60-62.9	0.7
F	below 60	0.0

*Other Comments:*

**Keep in touch:** Learning economics is not always easy, and your questions about the material are invited. We have a variety of assignments, and you might not know how to complete or submit some of them. I know you have a lot going on, and I’m sure we can work through any scheduling conflicts that come up this semester. I appreciate students’ curiosity and ambition. Learning is important, as is getting a good grade to show for it. Please contact me with any concerns about the class. In addition to classes, feel free to stop in during office hours. Sometimes the easiest way to reach me is by email at [levi.pace@utah.edu](mailto:levi.pace@utah.edu).

**Instructor Responsibilities:** The instructor will convene class as scheduled, ensure the environment is conducive to learning, grade and return assignments in a timely manner, and inform students at the beginning of class of course content, requirements, evaluation methods, grading scale, schedule, and due dates.

**Academic Honesty:** You are expected to do your own work on exams and out-of-class assignments.

**Subject to Change:** This syllabus is not a binding legal contract. It may be modified with reasonable notice.

**Disabilities:** The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you need accommodations in the class, please give reasonable prior notice to the Center for Disability Services (CDS), 162 Olpin Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. All information in this course can be made available in alternative format with prior notification to the Center for Disability Services.

**Late Work:** Any assignment may be submitted late for half credit through the last day of class, Aug 2.

## Tentative Course Schedule

Revised May 21

	Date	Topic and Readings
1	Thur, Jun 21	Ch 1 First Principles Ch 2 Economic Models: Trade-offs...
2	Tues, Jun 26	Ch 3 Supply and Demand
3	Thur, Jun 28	<b>Data Project</b> in Marriott Library room 1160, 9am <b>Exam 1</b> Chapters 1-3 in OSH 102, 10am <b>Homework 1</b> due
4	Tues, Jul 3	Ch 6 Macroeconomics: The Big Picture Ch 7 Tracking the Macroeconomy
5	Thur, Jul 5	Ch 8 Unemployment and Inflation
6	Tues, Jul 10	<b>Exam 2</b> Chapters 6-8 <b>Homework 2</b> due Ch 9 Long-Run Economic Growth
7	Thur, Jul 12	<b>Federal Reserve visit</b> at downtown bank, 9:30am Ch 10 Savings, Investment...Financial System
8	Tues, Jul 17	Ch 11 Income and Expenditure
9	Thur, Jul 19	<b>Exam 3</b> Chapters 9-11 <b>Homework 3</b> due <b>Policy Project</b> in Marriott Library rm. 1160, 10am
	Tues, Jul 24	<i>Pioneer Day, no class</i>
10	Thur, Jul 26	Ch 12 Aggregate Demand and Aggregate Supply Ch 13 Fiscal Policy
11	Tues, Jul 31	Ch 15 Monetary Policy
12	Thur, Aug 2 3:00 PM	<b>Exam 4</b> Chapter 12-13, 15 <b>Homework 4</b> due