

ECON 102: Principles of Macroeconomics
Spring 2017
TR 3:30-4:50, Washington Hall 201

CONTACT INFORMATION

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Office: Tyler Hall 430

Office Hours: TR 11:00 am -noon and 2:00 pm - 3:00 pm or by appointment

TEXTBOOK

- (Required) N. Gregory Mankiw, Principles of Macroeconomics, 7th Edition, Cengage Learning, 2015. ISBN-13: 978-1285165912

COURSE DESCRIPTION

This course will give you an overview of economics related to the study of the national and global economy. It includes topics such as unemployment, growth, inflation, monetary policy, Federal Reserve, bonds, and interest rates.

LEARNING OBJECTIVES

Students should be able to achieve the following course objectives:

- Understand how GDP, the unemployment rate, inflation, and economic growth are measured and be able to explain how these variables fluctuate in business cycles.
- Understand the difference between real and nominal variables
- Discuss the problems of high and low inflation
- Explain the role the financial system plays in the economy
- Analyze macroeconomic conditions using the AD-AS model
- Think critically about monetary and fiscal policy
- Know the Federal Reserve's policy goals and be able to explain how the tools of monetary policy create money and affect the economy
- Explain how automatic stabilizers work and why fiscal policy not only has short-run but also long-run effects

PREREQUISITES

ECON 101 (Principles of Microeconomics).

ATTENDANCE

Attendance is not required, however I strongly encourage you to attend class. Some of the topics covered in the lectures may not be covered in the textbook and you will be held responsible to know them for exams. Also, from my experience, students who attend class regularly do much better in the class than students who do not regularly attend lectures. Students who actively participate in class throughout the semester will receive up to a total of 15 points added to their final score. One measure of participation will be the in-class quizzes monitored by PollEv. The other will be active participation in discussion/answers in class.

POLL EVERYWHERE

We will use Poll Everywhere (“PollEv”) throughout this semester. With PollEv, you use your computer, tablet, or phone to answer questions, take a poll, discuss, and more. Please plan on bringing a smart phone, tablet, or laptop with you to every class. You will need to connect your device to the W&M wireless network. Also, if you use an Apple or Android device, please download the free Poll Everywhere app. The app is not required, but it will make the participation process easier. Instructions for logging into your PollEv account can be found on the IT website here. A one-time per 12 month account fee of \$14 is required in order to gain full access. This fee covers all classes in which you use PollEv. Though we might use PollEv informally the first week, we will use PollEv for graded activities beginning on January 25. If you need assistance setting up your device to work on the W&M wireless network, please navigate to the IT help page here. It is your responsibility to bring an operable device to class each session in order to participate in the polls. You can participate in polls using only your account. Additionally, use of Poll Everywhere should adhere to the College of William & Mary honor code expectations. Students on scholarships that typically include course materials may be eligible to have the Poll Everywhere annual account fee of \$14 covered. If this situation applies to you, please contact me and we can investigate whether this fee is eligible

EXAMS

There will be three midterm exams, however I’ll only count the two best midterm scores, and a comprehensive final exam. Each of the two midterms will count for 25% of your course grade. The cumulative final exam will count for 30% of your course grade. You’ll not be allowed to take the final exams early. Exams will consist of multiple choice questions. Students are responsible for bringing *basic* calculators during an exam. Graphing calculators or cell phones are not permitted during exams.

Thursday, February 14	Midterm Exam
Thursday, March 21	Midterm Exam
Thursday, April 20	Midterm Exam
Wednesday, May 10	Comprehensive Final Exam

If you miss the midterm exam and you have a documented excuse from the Dean’s office, it will be the midterm that I’ll drop for you. If you miss more than one midterm and have a documented excuse from the Dean’s office, I will increase the weight of the one midterm you take to 35% and final to 45%. Excuses should be documented as far in advance as possible. If you miss an exam

without a valid excuse, you will receive a zero and there will be no chance to earn those course points.

Please note that anything discussed in class or any topic in the assigned homework is “fair game” for the exams. There may be material presented in class that is not in your textbook, so make sure that you have a full set of notes from which to study. The exam questions will test your ability to understand and recall basic principles. They will also test your understanding of applications of theories, tools, and models. This means that you must learn to analyze hypothetical and “real world” problems that you encounter for the first time.

HOMEWORKS

A homework will be assigned after every few chapters. In total, there will be 5 homeworks. Each homework will be worth 20 points (100 total), making up 20% of your course grade. The problem sets will consist of multiple choice questions. They will train you to apply macroeconomic tools and concepts in the same way as you will be required for the exams.

All assignments will be assigned in Blackboard and will be due at 11:00 pm on the due date. Late work will *not* be accepted. I encourage you to seek help if you are confused or want further clarification. I also encourage you to practice other questions from the textbook or consult study guides.

Thursday, February 9	Homework 1 due
Thursday, March 2	Homework 2 due
Thursday, March 16	Homework 3 due
Thursday, April 6	Homework 4 due
Thursday, April 13	Homework 5 due

GRADING PROCEDURES

The classes will be a mixture of lecture, discussion, and review. The weight of the final exam is higher than the midterm exams to reward students who show improvement during the semester. The grading scheme follows:

Activity	Points	Percent
Homeworks(5@20)	100	20%
Midterm Exam	125	25%
Midterm Exam	125	25%
Final Exam (comprehensive)	150	30%

If you want to appeal any grading, you must contact me no later than one week from the date I post your score. The following table indicates the minimum number of points needed to guarantee a certain grade.

Grade	Minimum Points	Percent
A	465	93
A-	450	90
B+	435	87
B	415	83
B-	400	80
C+	385	77
C	365	73
C-	350	70
D+	335	67
D	315	63
D-	300	60
F	<300	<60

HONOR CODE

The College of William & Mary has had an honor code since at least 1779. Academic integrity is at the heart of the College, and we all are responsible for upholding the ideals of honor and integrity. The student-led honor system is responsible for resolving any suspected violations of the Honor Code, and I will report all suspected instances of academic dishonesty to the honor system. The Student Handbook (www.wm.edu/studenthandbook) includes your responsibilities as a student and the full Code. Your full participation and observance of the Honor Code is expected. To read the Honor Code, see www.wm.edu/honor

ADA ACCOMODATION

William & Mary accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels s/he may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2509 or at sas@wm.edu to determine if accommodations are warranted and to obtain an official letter of accommodation. For more information, please see www.wm.edu/sas.

ACADEMIC INTEGRITY

All academic work in this course, including homework, quizzes, and exams, is to be your own work, unless otherwise specifically provided. It is your responsibility if you have any doubt to confirm whether or not collaboration is permitted.

Plagiarism is not acceptable. Plagiarism in the form of “deliberate” or “reckless” representation of another’s words, thoughts, or ideas as one’s own without appropriate attribution to the original author in connection with submission of academic work, whether graded or otherwise, is a serious breach of academic integrity demanded by the Honor Code and one of the most common forms of academic misconduct processed by the honor system.

TENTATIVE COURSE OUTLINE

This is a *tentative* outline. Consequently, this outline is subject to change. Any changes will be announced in class.

Introduction

Ten Principles of Economics	Chapter 1
Thinking Like an Economist	Chapter 2
Market Forces of Supply and Demand	Chapter 4

The Data of Macroeconomics

Measuring a Nation's Income	Chapter 10
Measuring the Cost of Living	Chapter 11

The Real Economy in the Long Run

Unemployment	Chapter 15
Production and Growth	Chapter 12
Saving, Investment, and the Financial System	Chapter 13
The Basic Tools of Finance	Chapter 14

Money and Prices in the Long Run

The Monetary System	Chapter 16
Money Growth and Inflation	Chapter 17

Short-Run Economic Fluctuations

Aggregate Demand and Aggregate Supply	Chapter 20
Influence of Monetary and Fiscal Policy on AD	Chapter 21
SR Trade-Off Between Inflation and Unemployment	Chapter 22

The Macroeconomics of Open Economy

Open-Economy Macroeconomics: Basic Concepts	Chapter 18
Macroeconomic Theory of the Open Economy	Chapter 19

Final Thoughts

Six Debates over Macroeconomic Policy	Chapter 23
Overall Review	

*****Final Exam (Comprehensive), Wednesday, May 10, 2:00-5:00pm**