

ECON3: Principles of Macroeconomics

UCSD Summer Session II, 2012

Lectures: TuTh 2-4:50pm @ Center Hall 212

Discussion Sections: Friday 12pm -1:50pm @ PCYNH 121

Economic Questions: How does the economy work? Why is unemployment sometimes high and sometimes low? What causes inflation? Why do some national economies grow faster than others? How do changes in the money supply, government spending and taxes affect the economy? This course of instruction will provide tools and techniques that will help you answer these questions.

Course Description

This course introduces the tools that economists use to study the aggregate performance of an economy. We will learn about unemployment, inflation, long-run growth, business cycles, and economic policies: monetary and fiscal policy.

Required Textbook

Principles of Economics, 4th Edition, Frank and Bernanke

Course Website

I will use course website, <http://ted.ucsd.edu> for posting announcements, syllabus, grades, practice exams, and discussion that I encourage you to use.

Instructor and TA Contact Information/Office Hours

Instructor: Iddoosaa-Mitiku Ejeta Banae, Ph.D; e-mail: mbanae@ucsd.edu. Office hours: TuTh 12:30PM-1:30PM @ Econ Annex 103. **TA:** Zhang Ji, j5zhang@ucsd.edu, Discussion session on Friday 12:00PM-1:50PM ; Office hours: Friday 2:00PM-4:00PM @ Econ-Room 113.

Important Dates

Midterm: Thursday 08/23/2012

Final: Saturday, 09/08/2012 from 3:00PM to 5:59PM @ TBA

Grades and Testing Strategy

I will assign letter grades based on your performance on one midterm, Unit Test, and one final exam, weighted as follows: Midterm 40% and Final 60%. I have my own testing strategy that focused on pass-drop or rollover, which means that the Unit Test (UT) focus on current chapters discussed, and students required to pass the UT with a given class average. How it works? If the class average meets the required standard, the chapters will be dropped from the next test or final automatically. Conversely, if the UT result does not meet the required class average, the chapters will be rolled over to the next test or final to make it comprehensive exam.

Cognizing your brightness and motivation, I have set the class average to 78% or letter grade C+ for this course. What is in it for me? If you put an effort toward the class average or above, you raise the class average and achieve your desired goal. As a byproduct, you may not take a comprehensive final exam and minimized the opportunity cost of study time for final exam. The UT encourages collaborative effort to learn economics by focusing on specific topics at a time. It also provides incentives to individuals to put effort in order to achieve their own goals impacting the group positively or maximizing mutual benefits for the group at the same time. So it worked very well for me and students in other schools, and I hope it will work for you, too.

The letter grades for the course will be curved. The following apply as the *minimum* of the letter grade you can expect to earn based on the total weighted % of points you earn in the course:

A = 93-100	B+ = 86-89	C+ = 76-79	D+ = 66-69
A- = 90-92	B = 83-85	C = 73-75	D = 63-65
F = < 60	B- = 80-82	C- = 70-72	D- = 60-62

Policies:

Make-up Policy: There will be no make-up exam available in this class. **You must take the final exam in order to receive a grade in this course.**

Exam dates are not negotiable. Unexcused missed exams will receive scores of zero. There are no acceptable excuses for missing the final-- if you miss the final, you will receive a failing grade for the course. Exams are closed-book and hand written a page of open notes (front page only).

Regarding: If you believe that an exam has not been properly graded, you must discuss this with the TA within one week of when exams were first returned to the class.

Academic Dishonesty: Students are expected to do their own work, as outlined in the UCSD policy on Academic Integrity published in the UCSD General Catalog. Cheating will not be tolerated, and any student who engages in suspicious conduct will be confronted and subjected to the disciplinary process. Students found guilty of academic misconduct will receive a failing grade on the exam and/or in the entire course. They may also be suspended from UCSD.

Academic Excellence and Civility

In a learning environment, excellence would be attainable only if faculty and students adhere to the ideals that support high levels of learning. As a diverse community of learners, students must strive to work together in a setting of civility, tolerance, and respect for each other and the instructor. The table below outlines a set of expectations - for both students and faculty - that support these ideals. These mutual expectations are neither trivial nor obvious. They are not trivial because all of us must consistently attend to details and align attitudes with behavior in order to achieve excellence in the learning environment. They are not obvious because of the diversity of cultures and prior experiences among the faculty and students.

Expectations:

EXPECTATIONS FOR STUDENTS	EXPECTATIONS FOR FACULTY
Students will treat their classroom obligations as they would treat any serious professional engagement.	Faculty will treat their obligations for classes as they would treat any serious professional engagement.
That includes:	That includes:
1) PREPARING THOROUGHLY for each session in accordance with the instructor's requests;	1) PREPARING THOROUGHLY for each class;
2) ARRIVING PROMPTLY AND REMAINING until the end of each class meeting, except in unusual except under unusual circumstances	2) PUNCTUALITY in beginning class sessions, and adherence to the circumstances; established schedule for classes and exams;
3) PARTICIPATING FULLY AND CONSTRUCTIVELY in all classroom activities and discussions;	3) PROVIDING SUFFICIENT INFORMATION and materials to enable students to prepare adequately for class;

4) DISPLAYING APPROPRIATE COURTESY to all involved in the class sessions in the learning community;	4) DISPLAYING APPROPRIATE COURTESY to all involved in the class sessions. Courteous behavior specifically entails communicating in a manner that respects, and is sensitive to, the many individual differences in the USD community;
5) ADHERING TO DEADLINES AND TIMETABLES established by the instructor;	5) SUPPLYING TIMELY INFORMATION ABOUT STUDENT PERFORMANCE on projects, assignments, and examinations;
6) PROVIDING CONSTRUCTIVE FEEDBACK TO FACULTY MEMBERS regarding their performance. Students should be as objective in their comments about instructors as they expect instructors to be in their evaluations of students.	6) PROVIDING CONSTRUCTIVE FEEDBACK TO STUDENTS concerning their performance. Faculty should be as objective in their feedback to students as they expect students to be in their evaluation of faculty.

Source: University of Chicago; cited in course syllabus by Yandell, D.

Outline Topics (subject to change)

Part 5: Macroeconomics: Issues and Data

- Chapter 16: Spending, Income and GDP
- Chapter 17: Inflation and the Price Level
- Chapter 18: Wages and Unemployment

Part 6: The Economy in the Long-Run

- Chapter 19: Economic Growth
- Chapter 20: Savings, Capital Formation, and Financial Markets
- Chapter 21: The Financial System, Money, and Prices

Part 7: The Economy in the Short-Run

- Chapter 22: Short-Term Fluctuations
- Chapter 23: Spending and Output in the Short Run
- Chapter 24: Stabilizing the Economy: The Role of the Federal Reserve
- Chapter 25: Aggregate Demand and Aggregate Supply
- Chapter 26: Macroeconomic Policy

Part 8: International Economy

- Chapter 27: Exchange Rates and the Open Economy
- Chapter 28: International Capital Flows (p. 824-831)

Important Dates

- Midterm: Thursday 08/23/2012
- Final: Saturday, 09/08/2012 from 3:00PM to 5:59PM @ TBA