

Oxford College of Emory University

ECON 112: Principle of Macroeconomics Fall, 2001

- **Course Information**

Course Name & Section	Econ 112 (01J)
Class Room	Pierce Hall 102
Date & Time	T/Th 1:00 – 2:15 PM

- **Instructor Information**

Instructor Name	Jong Kim, Department of Economics at Emory University
Office	Language Hall 102
Office Hour	T/Th 8:00 – 11:00 AM OR Anytime by appointment
Phone Number	404 727 1116 at Emory & 770 784 4604 at Oxford
Email Address	jhkim@emory.edu

- **Course Material**

Textbook: Robert Frank and Ben Bernanke, **Principle of Macroeconomics**, New York: McGraw-Hill, 2001.

Study Guide: Jack Mogab and Bruce McClung, **Study Guide: Principle of Macroeconomics**, New York: McGraw-Hill, 2001.

- **Course Objectives**

By the end of this course students should

- a) understand the forces determining macroeconomics variables such as inflation, unemployment, interest rates, and exchange rate;
- b) be able to formulate and asses macroeconomic policy suggestions;
- c) be familiar with macroeconomic terminology, such as the multiplier, monetarism, the natural level of unemployment and fiscal policy; and
- d) be capable of interpreting and evaluating articles on the macroeconomy.

- **Format of the Course**

The structure of the course consists of **two lectures per week** and **class discussion**. I hope to provide an appropriate balance of theory, applications of theory, and evaluation of public policy. This is a structured course with frequently assigned problem sets, reading for class discussion, and three exams.

Although there is no college attendance policy, **all students are strongly recommended to attend all lectures except unavoidable cases**. The instructor will regularly check attendance and give students who have not missed **any** class **two bonus points equivalent to 2 percent of the overall grade**. *A Student missing classes more than four times without permission cannot pass this course.*

• Tentative Course Schedule

Week	Topic	Reading Assignment
Week 1	Overview of Macroeconomics	Chap. 5
Week 2	Measuring Economic Activity: GDP and Unemployment	Chap. 6
Week 3	Workers, Wages, and Unemployment in the Modern Economy	Chap. 9
Week 4	Measuring the Price Level (CPI) and Inflation	Chap. 7
Week 5	Economic Growth, Productivity, and Living Standards	Chap. 8
Week 6	First Intellectual Challenge: First Midterm	Oct. 11th, 2001
Week 7	Financial Markets, Money, and the Federal Reserve (the Fed)	Chap. 11
Week 8	Short-Term Economic Fluctuations: an Introduction	Chap. 12
Week 9	Aggregate Demand (AD) and Output in the SR	Chap. 13
Week 10	Stabilizing AD: the Role of the Fed.	Chap. 14
Week 11	Inflation, AD, and Aggregate Supply (AS)	Chap. 15
Week 12	Second Intellectual Challenge: Second Midterm	Nov. 15th, 2001
Week 13	International Trade and Capital Flows	Chap. 16
Week 14	Exchange Rate and the Open Economy	Chap. 17
Week 15	Review of the Course	

Caution! You will be assigned readings on, and tested from, the textbook as well as the class lectures. The class lectures will **not necessarily** follow the textbook section by section. Some freedom from the textbook will be maintained through the semester. You are responsible for the materials covered in all class lectures regardless of whether or not those materials are in the textbook. This will give you another reason to attend all classes.

- **Assignments and Exams**

There are **biweekly homework assignments** to give practice of writing answers to typical exam questions. Treat the assignments as a learning device. Exams evaluate students' understanding of macroeconomics and their ability to apply that understanding to real world contexts. Between 50 and 60 percentage is "multiple choice" and the rest numerical and essay problems similar to homework assignments. There will be two midterms and one comprehensive final exam for this course.

Note: Students in my class will have no trouble receiving a grade of A (*yes, an A!*) for the semester if they are willing to follow my tips for succeeding in Econ 112.

- **Grading and Other Policies**

a) Grades are based entirely on three exam scores, problem sets, and bonus points.

Letter grades are based on the following scale:

For a grade of A the final class average must be > 93

For a grade of A- the final class average must be $= 93$ and > 90.0

For a grade of B+ the final class average must be $= 90.0$ and > 87.0

For a grade of B the final class average must be $= 87.0$ and > 83.0

For a grade of B- the final class average must be $= 83.0$ and > 80.0

For a grade of C+ the final class average must be $= 80.0$ and > 77.0

For a grade of C- the final class average must be $= 73.0$ and > 70.0

For a grade of D the final class average must be $= 70.0$ and > 60.0

For a grade of F the final class average must be $= 60.0$

Your final class average will be calculated as follows:

50% from two midterm exams

20% from assigned problem sets

30% from a comprehensive final exam

b) **Honor System:** The instructor expects academic honesty from every student in the class. Students must adhere to **the Oxford College of Emory University Honor Code** at all times. The exam environment will deter cheating, and any cheater will get F. But your own actions and your own conscience are ultimately your own responsibility.

c) **Plagiarism:** Plagiarism and other forms of cheating are strictly unacceptable. A student who cheats or plagiarizes may have his or her grade lowered on a specific assignment or even received an "F" in the course, at the discretion of the instructor in consultation with the Council of Academic Affairs.

d) **Prerequisites:** High-school algebra, creative thinking, and Econ. 101 are enough to take this course. In particular, your **willingness** to learn new material and **patience** to take care of details are essential to go through this class.

- **Important Dates & Holidays**

Labor Day Holiday: September 3, 2001

Midsemester Break: October 15 – 16, 2001

First Intellectual Challenge: Oct. 11th (Thursday), 2001

Second Intellectual Challenge: Nov. 15th (Thursday), 2001

Thanksgiving Recess: November 22 - 23, 2001

Final Exam: Dec. 18th (Tuesday), 2001 from 2:00 – 5:00 PM

- **Tips for Succeeding in ECON 112**

1. **Get the most out of the lectures.** Do each week's reading material before the lecture, for perspective and to know what things you need help with from the lecture. Think beforehand about the example exam questions for that week.
2. **Understand, don't memorize.** It takes about as long to understand a concept as to memorize some formula or definition associated with that concept, but understanding means you can easily figure out new applications for exam questions.
3. **Read things over several times.** Make sure you understand the material.
4. **Don't fall behind.** This course is cumulative; if you fall behind, it is hard to catch it up.
5. **Form a study group.** If your personality permits, study with friends and ask each other questions. Do it regularly, not just before an exam. By figuring out good questions to ask, the person asking questions can learn as much as the person answering.
6. **Work hard.** Go through as many questions as you can, especially the ones distributed by the instructor with answers. Don't kid yourself by looking quickly at the answer and saying "I would have got that!"
7. **Use the office hour and an email.** The instructor will be glad and willing to help you anywhere and anytime if you have questions.

You can't avoid hard working to learn something!!!