

# PRINCIPLES OF MACROECONOMICS

Gregory Johnson, Ph.D.

[gregory.johnson@msstate.edu](mailto:gregory.johnson@msstate.edu)

## 1 Preliminaries

Email is the best way to reach me, and I will usually respond within 24 hours. If you would like a more immediate response, you can try calling or sending a text message to 267-416-0292. But don't leave a voicemail. I won't get it.

Meetings outside of class are by appointment. (Webex; 1050 George Hall; 071 College Park)

## 2 Mississippi State University Syllabus

The Mississippi State University Syllabus contains all policies and procedures that are applicable to every course on campus and online. The policies in the University Syllabus describe the official policies of the University and will take precedence over those found elsewhere. It is the student's responsibility to read and be familiar with every policy. The University Syllabus may be accessed at any time on the Provost website under Faculty and Student Resources: [provost.msstate.edu/faculty-student-resources/university-syllabus](https://provost.msstate.edu/faculty-student-resources/university-syllabus).

## 3 Textbook

The textbook for this course is Greenlaw and Shapiro, *Principles of Macroeconomics*, 2nd edition. A PDF of the textbook is posted on the course site in Canvas. It can also be purchased here: <https://amazon.com/dp/1947172387>.

## 4 Course Description

### 4.1 synchronous online

This is a "synchronous online" course, meaning that we will have weekly meetings at the designated time (Tuesdays and Thursdays, 11:00 am - 12:15 pm) using Webex. This is probably a new way of taking a course for some (or maybe all) of you, and so we will take some time to make sure that everyone is on track. As it says below, though, part of your course grade

will be based on attendance and participation, and so you are expected to be present (sitting at a table or desk, with your webcam on) and actively participating.

## 4.2 general introduction

This course is an introduction to macroeconomics. Macroeconomics comprises the methods used to explain and analyze the aggregate (or “macro-”) economy—in other words, the economy as a whole. We begin with the basic principles and tools of economic analysis. We will then examine supply and demand, gross domestic product (GDP), unemployment, inflation, a model of the national economy, fiscal policy, money, and monetary policy.

## 5 Learning Objectives

The general learning objectives of this course are the following.

- Develop the skills needed to analyze economic information.
- Acquire an understanding of the market mechanism as a means of allocating scarce resources.
- Learn how economists use theory, graphs, and evidence.
- Understand and describe the concepts and measurement of gross domestic product (GDP), unemployment, and inflation.
- Understand and describe *economic expansion*, *contraction*, and *recession* and the factors that contribute to each.
- Understand and describe how aggregate demand (AD) and aggregate supply (AS) determine equilibrium price and output in the short-run and long-run.
- Understand and describe the concepts, tools, and implementation of fiscal policy, its limitations, its advantages and disadvantages, and how it affects aggregate economic activity.
- Understand and describe the concepts, tools, and implementation of monetary policy, its limitations, its advantages and disadvantages, and how it affects aggregate economic activity.

## 6 Student Honor Code & Academic Misconduct

Mississippi State has an approved Honor Code that applies to all students. The code is as follows:

As a Mississippi State University student, I will conduct myself with honor and integrity at all times. I will not lie, cheat, or steal, nor will I accept the actions of those who do.

Upon accepting admission to Mississippi State University, a student immediately assumes a commitment to uphold the Honor Code, to accept responsibility for learning, and to follow the philosophy and rules of the Honor Code. Student will be required to state their commitment on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the MSU community from the requirements or the processes of the Honor Code. For additional information, please visit: <http://honorcode.msstate.edu/policy> and <http://students.msstate.edu/studentconduct/>.

**To be clear, students who cheat in any way will be penalized. Cheating includes giving as well as receiving help when such help is not explicitly allowed.**

Plagiarism is also a form of cheating. The best way to avoid anything that might be academic misconduct is to put yourself in a position where you don't need to cheat or plagiarize. Don't get behind, and if there are things that you don't understand, give yourself time to figure them out or ask me about them.

If you have any further questions about what constitutes cheating, either ask me or see the University's policy on academic dishonesty. (I am happy to answer any questions about what is and is not allowed. But ask me before you do something questionable.)

## 7 Cell Phones

Cell phone use, including texting, is not allowed during the class meetings.

If there is the legitimate possibility that you might be contacted for an emergency-related reason during the class meeting, then your phone should be nearby, although not so close that it is distracting you. If you are not likely to be contacted for an emergency-related reason, then your phone should be on silent and put away. (And, yes, there is always some possibility of an emergency, but if you can turn your phone off for a couple of hours when you are at a movie or leave your phone behind when you go swimming [or be without access to your phone in a variety of other situations], then you should do the same when you are in a meeting of a college course.) There are at least three reasons for this.

One, I understand the temptation to look at your phone, but learning to manage when you look at and use your phone is an important habit to develop now. Two, when you use your phone during class (or in other kinds of meetings), you may not intend to be rude or distracting, but the person addressing you will usually interpret it negatively. This applies, not only to professors, but to the people with whom and for whom you will work once you graduate. Three, doing anything on your phone takes your attention away from the lecture or discussion, and even a short break in attention can make it difficult to re-engage with and understand what is going on in the class meeting.

## 8 Coursework & Grading

Letter grades will be assigned using the standard Mississippi State scale (an A is 90 – 100 percent, a B is 80 – 89 percent, a C is 70 – 79 percent, etc.). The grades will be set based on this coursework

and these percentages:

attendance & participation: 10 percent  
quizzes and homework assignments: 35 percent  
three tests: 55 percent

An official excuse is required for late assignments, and, even with an official excuse, a different assignment may be given. Each student's two lowest quiz or homework grades will be dropped. There will not be any extra credit at the end of the course, and so you should do as well as you can throughout the semester.

**Honorlock** You will use the proctoring software Honorlock for the tests. There is information about using it on Canvas, but right now, you should make sure that you have a working webcam—either the webcam built into your laptop or an external one (which doesn't have to be HD or otherwise fancy).

## 9 Schedule

See the Google calendar in Canvas for the exact schedule. The calendar is also available [HERE](#).

---

Week 1	chapter 1, Welcome to economics appendix A, The use of math in economics
Week 2	chapter 2, Choice in a world of scarcity chapter 20, International trade
Weeks 3 - 5	chapter 3, Demand and supply
Week 6	<b>test 1</b>
Weeks 6 & 7	chapter 6, The macroeconomic perspective (GDP)
Weeks 8 & 9	chapters 8 & 9, Unemployment, Inflation
Week 10	<b>test 2</b>
Weeks 10 - 12	chapters 11 - 13, The aggregate demand-aggregate supply model
Week 12	chapter 17, Government budgets and fiscal policy
Weeks 13 & 14	chapters 14 & 15, Money, banking, and monetary policy
Exam week	<b>final exam</b>

---