

# ECON 2105: Principles of Macroeconomics

## Summer 2024, May Session

**Instructor:** Michael Kotrous

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Office Hours: Each class day, MTRF 1:30p.m. – 4:30p.m., W 2:00p.m. – 4:30p.m.

### **Class Meetings**

Time: Monday–Friday, 9:30–12:00

Location: Ivester E101

### **Course Overview**

Economists study how individuals and businesses make choices among alternative uses of scarce resources. This course introduces students to how markets align the interests of individuals and businesses to efficiently allocate the economy’s scarce resources. Students will learn about supply, demand, and market equilibrium, as well as how economists study the welfare implications of government policies that alter market outcomes.

With the core tools of economic analysis at hand, students turn their attention to the subdiscipline of macroeconomics. Macroeconomists analyze the aggregate economic performance of nations. As macroeconomists do, the course separates the study of long-run economic growth from analysis of the short-run fluctuations of the business cycle. To engage in macroeconomics, students learn how macroeconomists measure key economic indicators like gross domestic product (GDP), inflation, and unemployment. Further, students learn about the key macroeconomic institutions in the U.S. and how to separately evaluate monetary and fiscal policy actions by applying the economic model of aggregate supply and aggregate demand.

**Prerequisites:** N/A

### **Course Materials**

The textbook for this course is ***Modern Principles: Macroeconomics (Sixth Edition)*** by Tyler Cowen and Alex Tabarrok. An electronic version of this textbook is made available on the Achieve platform by MacMillan Learning.

Students must register an account and enroll in the course on the Achieve platform. We will use Achieve to access the textbook, other supplemental materials, and complete graded homework assignments. All materials and assignments on the Achieve platform are linked on eLC.

An Achieve license should be purchased as soon as possible. The first homework assignment is due on Thursday, May 16, and late homework submissions will not be accepted.

You should purchase an Achieve license directly from the publisher using the “Student Registration – Start Here” link in eLC. Detailed instructions are provided in eLC. You should **NOT** buy the textbook or Achieve license through the UGA bookstore. The bookstore only handles physical copies of the textbook, and purchasing from the bookstore will delay delivery of your access code.

When creating your Achieve account (or using an existing account), you **must** use your UGA MyID email (e.g., [mk91537@uga.edu](mailto:mk91537@uga.edu)), not a pseudonymous email (e.g., [michael.kotrous@uga.edu](mailto:michael.kotrous@uga.edu)) or personal email (e.g., Gmail). Failure to use the correct email address (or enroll in the correct course) will result in technical difficulties linking your grades in eLC and Achieve.

## Grading

Midterm Exam, May 22	20%
Final Exam, June 5	25%
Data Projects (2)	20% (10% each)
Homework (lowest score dropped)	25%
Participation (highest 11/14)	10%

Letter grades will be assigned according to the following minimum-grade thresholds.

**A: 94 A-: 90 B+: 87 B: 84 B-: 80 C+: 77 C: 74 C-: 70 D: 60 F: 0**

Final grades **will not be rounded**. Thus, a final grade of 93.99 will earn a letter grade of A-.

## Exams

Two 90-minute, paper-based exams will be administered to assess your mastery of the application of economic theory and the empirical facts presented in this course. The midterm exam will be assessed during the normal class time on **Wednesday, May 22, 9:30 a.m.—11:00a.m. in Ivester E101**. The final exam will also be during the normal class time on **Wednesday, June 5, 9:30a.m.—11:00a.m. in Ivester E101**.

If you have a known scheduling conflict with either exam date, please notify the instructor as soon as possible.

Make-up exams can be scheduled for those who face a sudden illness or emergency on the day of the exam or participate in a pre-scheduled, university-sanctioned event (e.g., varsity athletics). Proper documentation of your illness, emergency, or scheduling conflict must be presented to the instructor before the make-up exam can be taken. If there are compelling privacy concerns for you to not disclose the cause of your absence to the instructor, you may coordinate with the office of Student Care and Outreach to provide such documentation.

Make-up exams will not be offered to students who miss an exam for reasons other than those stated above, and they will earn a zero on that exam.

Students with disabilities or who otherwise need accommodation to complete the exams must register with the Disability Resource Center (DRC) **prior to the exam**—accommodations cannot be applied retroactively, and I will not make accommodations for students who are not registered with the DRC. Accommodations may take several days to process, so I recommend contacting the DRC as soon as possible. See Accommodations for Disabilities in this syllabus for more information.

## Data Projects

Economics is a social science, meaning that economic theory is tested scientifically using empirical observation and data. Further, an understanding of the macroeconomy requires learning key empirical facts that motivate economists, policymakers, and business leaders. Students will

complete 2 data projects during the semester. Completing these projects requires only the use of Microsoft Word and Excel, or Google Docs and Sheets, all of which can be accessed for free via the University.

Tentatively, the due dates for each project are 1) Friday, May 24 and 2) Tuesday, June 4. Each data project will be posted to eLC one week prior to its due date. **Late submissions will not be accepted.** Detailed instructions related to these projects will be provided during the course.

### **Homework**

Homework in this course consists of 7 online assignments on the Achieve platform. Homework assignments will assess your understanding of the material covered in lecture and offer immediate feedback on your preparedness for the midterm and final exams.

Homework assignments generally will be due at 11:59p.m. on the class day **after** the in-class material is finished. For example, the in-class material for Gains from Trade is scheduled to be completed on Wednesday, May 15, so the corresponding homework will be due at 11:59p.m. on Thursday, May 16. **Late submissions will not be accepted.**

You are welcome to work with your classmates on the homework assignments, and you may refer to the textbook or other course materials while you complete these assignments.

I will drop the lowest score of the 7 homework assignments for each student. Scores on the top 6 graded homework assignments will be equally weighted when calculating your final course grade.

### **Participation**

A participation grade will be recorded each class day (other than the dates of the midterm and final exam) on the following scale:

3pts. Satisfactorily completed the participation assignment.

2pts. Attempted the participation assignment.

0pts. Did not attempt the participation assignment.

Participation assignments will be announced each day and generally consist of an in-class activity that involves practicing the concepts discussed in that day's lecture. Thus, whether you earn 3 points or 0 points for a given day's participation assignment will largely be determined by whether you attended that day's class.

The aggregate participation grade will be calculated by dividing the sum of your top 11 participation scores by 33. There are 14 class meetings at which participation will be recorded, meaning the lowest 3 will be dropped when calculating your participation grade.

### **Attendance & Excused Absence Policy**

Attendance is not required, but I emphasize the importance of attending every class that you can attend. In the May Session, missing one class is equivalent to missing an entire week of a Fall or Spring semester course.

There are no "excused" absences for non-exam class days. In practice, this means that I will not award participation credit or excuse an additional homework assignment if you must miss class due to an illness or emergency. The grading policies are defined such that you may miss up to three

classes for any reason and earn full credit for course participation. Further, your lowest homework score will be dropped when calculating your final course grade.

You are allowed to complete a make-up exam if you face a documented illness or emergency (or have a valid scheduling conflict) that prevents you from taking the exam during the allotted class time. See the section above about the grading policy for exams for more details.

If illness or an emergency may result in you missing more than three classes, please contact Student Care and Outreach using the information under UGA Well-Being Resources in this syllabus.

### **Academic Honesty**

As a student at the University of Georgia, you have agreed to abide by the University's Student Honor Code: "*I will be academically honest in all of my academic work and will not tolerate academic dishonesty of others.*" *A Culture of Honesty*, the University's policy, and procedures for handling cases of suspected dishonesty can be found at <https://www.uga.edu/ovpi>.

### **Accommodations for Disabilities**

If you plan to request accommodation for a disability, please register with the Disability Resource Center. That office can be reached by visiting Clark Howell Hall, calling 706-542-8719 (voice) or 706-542-8778 (TTY), or by visiting <https://drc.uga.edu>.

### **UGA Well-Being Resources**

UGA Well-being Resources promotes student success by cultivating a culture that supports a more active, healthy, and engaged student community. Anyone needing assistance is encouraged to contact Student Care & Outreach (SCO) in the Division of Student Affairs at 706-542-8479 or visit <https://sco.uga.edu>. Student Care & Outreach helps students navigate difficult circumstances by connecting them with the most appropriate resources or services. They also administer the Embark@UGA program which supports students experiencing, or who have experienced, homelessness, foster care, or housing insecurity.

UGA provides both clinical and non-clinical options to support student well-being and mental health, any time, any place. Whether on campus, or studying from home or abroad, UGA Well-being Resources are here to help.

- Well-being Resources: <https://well-being.uga.edu>
- Student Care and Outreach: <https://sco.uga.edu>
- University Health Center: <https://healthcenter.uga.edu>
- Counseling and Psychiatric Services: <https://caps.uga.edu> or CAPS 24/7 crisis support at 706-542-2273.
- Health Promotion/ Fontaine Center: <https://healthpromotion.uga.edu>
- Disability Resource Center and Testing Services: <https://drc.uga.edu>
- Additional information, including free digital well-being resources, can be accessed through the UGA app or by visiting <https://well-being.uga.edu>.

### **Disclaimer**

The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

## **Tentative Course Schedule**

### **Unit 1: Fundamentals of Microeconomics (May 14—17)**

- Gains from Trade
- Supply and Demand
- Market Equilibrium and Welfare

### **Unit 2: Economic Growth (May 17—21)**

- Gross Domestic Product: Definition and Measurement
- Economic Growth: Catching Up vs. Cutting Edge
- Saving, Investment, and the Financial System

**Midterm Exam:** Wednesday, May 22, 9:30a.m.—11:00a.m. in Ivester E101

### **Unit 3: The Business Cycle (May 23—30)**

- Unemployment and Labor Force Participation
- Inflation and the Quantity Theory of Money
- Aggregate Demand and Supply

**Class Cancelled:** Monday, May 27 (Memorial Day)

### **Unit 4: U.S. Macroeconomic Institutions (May 31—June 4)**

- The Federal Reserve and Monetary Policy
- The Federal Budget and Fiscal Policy

**Final Exam:** Wednesday, June 5, 9:30a.m.—11:00a.m. in Ivester E101