

## Economics 102, Principles of Macroeconomics

### Department of Economics, Iowa State University

**Instructor:** Dr. Gray Calhoun

**TAs:** Matthew Clancy, Sulagna Sarkar, Hocheol Jeon, Dong-Jin Pyo, and Donggyu Yi

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**Office:** 467 Heady Hall

Please see the course website for a link to the TAs' contact information.

**Office Hours:** My office hours are Monday and Wednesday from 2 to 3pm in Heady 467. The TAs' office hours haven't been set yet but will be listed on the course website.

If you have questions about the course material, the best times to address them are in the scheduled lectures or during office hours. We can probably resolve questions or concerns about the course administration over email, but if you have urgent questions please stop by my office.

**Course Schedule:** Monday, Wednesday, and Friday from 1:10 to 2:00 in LeBaron 1210

**Web Page:** I'm going to put PowerPoint slides, answers to the homework, and grades on WebCT. I'll put announcements and articles related to the class on Facebook (you can access this webpage even without a Facebook account). The URL is:

<http://www.facebook.com/pages/IA-State-Economics-102-Calhoun/107077152676914>

**Required Text:** *Macroeconomics*, 2<sup>nd</sup> Edition, by Paul Krugman and Robin Wells. The website [http://bcs.worthpublishers.com/krugmanwells\\_macro2/](http://bcs.worthpublishers.com/krugmanwells_macro2/) has additional material for the textbook.

**Recommended Text:** *The Little Book of Economics*, by Greg Ip, describes Macroeconomics with very little math, charts, or graphs. It also talks about the recent financial crisis. This book can help if you want to understand how the topics covered by the textbook and lectures apply to current events.

**Grading:** Your course grade is only based on your exam grades. Homework will be assigned, but not collected.

Exam Dates	% of Course Grade	Material Covered (Tentative)
Midterm 1: Wed., Feb. 2	20%	Chapters 6 – 8
Midterm 2: Wed., Mar. 2	25%	Chapters 9 – 12
Midterm 3: Wed., Apr. 6	25%	Chapters 13 – 15
Final Exam: Wed., May 4 2:15 – 4:15 pm	30%	Chapters 6 – 16 & 18 (Cumulative)

Students who feel they may need an accommodation based on the impact of a disability should contact me privately to discuss their specific needs. Please contact the Disability Resources Office at 515-294-7220 in room 1076, Student Services Building to coordinate reasonable accommodations for students with documented disabilities.

I do not give make up exams, although alternative arrangements can be made if a student has a legitimate reason for missing a test.

### **Tentative Plan for the Semester:**

<b>Week</b>	<b>Topics Covered</b>	<b>Reading</b>
1	Macroeconomics: The Big Picture	K&W 6, Ip intro, 1 & 2
2 & 3	Tracking the Macroeconomy	K&W 7, Ip 3
3 & 4	Unemployment and Inflation	K&W 8, Ip 4 & 5
Wed, Feb 2	Midterm 1	K&W 6 – 8
4 & 5	Long Run Economic Growth	K&W 9, Ip 1
5 & 6	Savings, Investment Spending, and the Financial System	K&W 10, Ip 14
6 & 7	Income and Expenditure	K&W 11
7 & 8	Aggregate Demand and Aggregate Supply	K&W 12
Wed, Mar 2	Midterm 2	K&W 9 – 12
8 & 9	Fiscal Policy	K&W 13, Ip 8, 12 & 13
Spring Break		
10 & 11	Money, Banking and the Federal Reserve System	K&W 14, Ip 9 – 11
11 & 12	Monetary Policy	K&W 15, Ip 10
Wed., Apr 6	Midterm 3	K&W 13 – 15
12 & 13	Inflation, Disinflation, and Deflation	K&W 16, Ip 5
14	Open-Economy Macroeconomics	K&W 18, Ip 6, 7
Dead Week	TBA	
Wed, May 4	Final Exam	K&W 6 – 16 & 18

K&W 8 refers to chapter eight in Krugman and Wells's textbook. Ip 7 refers to chapter seven in Ip's book. Chapters from Ip's book are sometimes repeated. Additional topics or readings may be assigned in class.