**ECON 2105: Principles of Macroeconomics**

**Fall 2019  
Scott Spitze**

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**Office:** B458 Amos Hall  
**Office Hours:** Monday 1pm-2pm; Wednesday 11am-12pm; Thursday 11am-12pm

**Class Time/Location:** 9:05-9:55am MWF, E107 (Ivester Hall)

**COURSE DESCRIPTION**

Explanations of economic growth and the business cycle, aimed at shedding light on economy-wide problems such as inflation and unemployment, with special attention to the role played by monetary and fiscal policies.

**PRE-REQUISITES**

None.

**COURSE OBJECTIVE**

After completing this course, students will be able to:

1. Demonstrate equilibrium price and quantity using supply and demand curves and show how equilibrium changes in response to shocks.
2. Evaluate how choices made by households, firms, and governments effect the economy.
3. Analyze and understand fundamental economic indicators, such as gross domestic product, unemployment, consumer price index, and the federal funds rate.
4. Identify long- and short- run factors of economic growth such as productivity and business cycles.
5. Utilize models of aggregate economic activity to track the state of the economy and how government intervention may help
6. Understand how the government uses monetary and fiscal policy to smooth economic growth.

**UNIVERSITY HONOR CODE & ACADEMIC HONESTY POLICY**

As a University of Georgia student, you have agreed to abide by the University’s academic honesty policy, “A Culture of Honesty,” and the Student Honor Code. All academic work must meet the standards described in “A Culture of Honesty” found at: [www.uga.edu/honesty](http://www.uga.edu/honesty). Lack of knowledge of the academic honesty policy is not a reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.

**CHANGES TO THE SYLLABUS**

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

**COURSE MATERIAL**

**Textbook** *Macroeconomics*, 7th Edition (2019) by R. Glenn Hubbard and Anthony Patrick O'Brien *Not required but recommended. Past editions also acceptable.*

**Slides** I will use lecture slides in class and post them on eLC after each lecture.

**Practice Problems** At the beginning of each chapter, I will post practice problems (and solutions) on eLC. They will help you go over what was learned in class and prepare you for quizzes and exams.

**ASSIGNMENTS**

Assignments in this course are broken into three categories: exams, attendance quizzes, and homework.

**Exams** Exams will consist of three in class midterms each worth 15% of your final grade and one final worth 25% of your final grade. The first exam will be on September 18, the second on October 16, the third on November 13. The final will be cumulative and will be held on Wednesday, December 11 from 8-11am. Exams will be made up of multiple choice and short-answer questions.

**Attendance Quizzes** I will randomly hold 13 attendance quizzes at the beginning of lectures. They will consist of short answer questions that focus on the material of the previous lecture. The dates of these quizzes will not be announced beforehand. Quizzes cannot be made up, but the lowest 3 grades will be dropped. Attendance quizzes will be worth 15% of your final grade.

**Homework** There will be 12 weekly homework assignments, each related to an episode of the podcast [Planet Money](https://www.npr.org/sections/money/). These episodes will each be around 15-25 minutes long and will usually relate to the topics discussed in lecture. Each episode will be posted on eLC along with two questions that will be submitted electronically. Homework will be due each Friday before class. The lowest two homework grades will be dropped. Homework will be worth 15% of your final grade.

**Extra Credit** Extra credit will be given based on course participation. Up to 2 classes a semester, asking questions, solving problems, or correcting mistakes in slides, etc. will earn 1% on your final grade. Once a semester, you can visit my office hours for at least 2 minutes for 2% on your final grade.

**GRADING POLICY**

No individual assignments or exams will be curved. The final curve will be determined by the highest score in the class. Your grade will be your final score divided by the highest overall score, times 100.

After each exam, I will notify everyone of the approximate exam letter grades and approximate overall grades.

Letter grades for this course will be based on the following cutoffs:

* A = 93.0–100.0%
* A- = 90.0-93.0%
* B+= 87.0–90.0%
* B = 83.0–87.0%
* B- = 80.0–83.0%
* C+= 77.0–80.0%
* C = 73.0–77.0%
* C- = 70.0-73.0%
* D = 60.0-70.0%
* F = Below 60.0%

However, the instructor reserves the right to change the letter grade cutoffs.

**EXAM MAKE-UP POLICY**

If you know you will miss an exam in the future, please email me documentation at least a week ahead of time and we will schedule a makeup. Valid reasons to miss are UGA-sanctioned activities (sports, music, debate team, etc.) and job interviews. If you miss a test for unforeseen reasons, please provide documentation and the next exam score will be used to calculate the missed exam score.

**COURSE TOPICS OUTLINE**

This schedule is subject to change with notification

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| --- | --- | --- | --- |
| **Week** | **Monday** | **Wednesday** | **Friday** |
| 1. |  | **Aug 14:** Introduction to Economics [ch. 1] | **Aug 16:** Intro + Math Review [ch. 1] |
| 2. | **Aug 19:** PPF and Opportunity Costs [ch. 2] | **Aug 21:** Gains from Trade [ch. 2] | **Aug 23:** Gains from Trade [ch. 2] **HW 1** |
| 3. | **Aug 26:** Demand Curve [ch. 3] | **Aug 28:** Supply Curve [ch. 3] | **Aug 30:** Market Equilibrium [ch. 3] **HW 2** |
| 4. | **Sept 2: Labor Day** | **Sept 4:** Market Equilibrium [ch. 3] | **Sept 6:** Consumer/Producer Surplus [ch. 4] **HW 3** |
| 5. | **Sept 9:** Government in Market[ch. 4] | **Sept 11:** International Trade [ch. 7] | **Sept 13:** International Trade [ch. 7] **HW 4** |
| 6. | **Sept 16:** Midterm 1 Review | **Sept 18: Midterm 1** | **Sept 20:** GDP: Value Added Approach [ch. 8] |
| 7. | **Sept 23:** GDP**:** Expenditure Approach [ch. 8] | **Sept 25:** GDP**:** Income Approach [ch. 8] | **Sept 27:** Real GDP and GDP Deflator [ch. 8] **HW 5** |
| 8. | **Sept 30:** Unemployment: CPS [ch. 9] | **Oct 2:** Unemployment: Types [ch. 9] | **Oct 4:** Inflation: CPI [ch. 9] **HW 6** |
| 9. | **Oct 7:** Inflation: Costs [ch. 9] | **Oct 9:** Financial System [ch. 10] | **Oct 11:** Market for Loanable Funds [ch. 10] **HW 7** |
| 10. | **Oct 14:** Midterm 2 Review | **Oct 16: Midterm 2** | **Oct 18:** Long-run Growth [ch. 10/11] |
| 11. | **Oct 21:** US + World Growth [ch. 11] | **Oct 23:** Business Cycle [ch. 10] | **Oct 25:** Business Cycle [ch. 10] **HW 8** |
| 12. | **Oct 28:** AE: Inventory/Consumption [ch. 12] | **Oct 30:** AE: Multiplier [ch. 12] | **Nov 1: Fall Break HW 9** |
| 13. | **Nov 4:** Aggregate Demand + Aggregate Supply [ch. 13] | **Nov 6:** AD/AS: Long- and Short- Run [ch. 13] | **Nov 8:** AD/AS: Dynamics [ch. 13] **HW 10** |
| 14. | **Nov 11:** Midterm 3 Review | **Nov 13: Midterm 3** | **Nov 15:** Monetary Policy: Money [ch. 14/15] |
| 15. | **Nov 18:** Monetary Policy: The Fed [ch. 14/15] | **Nov 20:** Monetary Policy: Fed Tools [ch. 14/15] | **Nov 22:** Monetary/Fiscal Policy[ch. 14-16] **HW 11** |
| 16. | **Nov 25:** Fiscal Policy: Spending + Taxes [ch. 16] | **Nov 27: Thanksgiving Break** | **Nov 29: Thanksgiving Break** |
| 17. | **Dec 2:** Fiscal Policy: Debt and Taxes [ch. 16] | **Dec 4:** Final Review **HW 12** |  |
| 18. |  | **Dec 11: Final 8-11am** |  |