

ECON 101: Principles of Macroeconomics
Roger Williams University, Spring 2015

Section 2 Tu/Fr 3:30-4:50 p.m. SB 309

Section 6 Tu 6:45-9:30 p.m. SB 107

Instructor: Rob Szarka	Email: rszarka "at" rwu.edu
Office: SB 335 (or SB 208)	Office Hours: TuFr 1:00-2:00 p.m.; Tu 5:30-6:30 pm

Reading List (pull requests welcome):

<<https://github.com/szarka/RWUEcon101/blob/master/Spring2015/ReadingList.md>>

Course Description

An introduction to the study of the national economy. The measurement, causes, and implications of inflation, unemployment, and recessions are examined, as are the effects of government fiscal and monetary policies. Topics covered include the Keynesian and Classical theories of output and price determination, the Federal Reserve System, and the application of macro theories to events of current interest. (3 credits)

There are no formal prerequisites for this course, but I will assume familiarity with high-school algebra. (No calculus, no trig, just simple functions and graphs.)

Course Objectives

Understand key economic concepts, such as trade, wealth, income, growth, labor, unemployment, capital, interest, money, inflation, exchange rates, and business cycles.

Learn to use models of economic activity to gain insight into, and to communicate about, practical questions of policy and business.

Become familiar with key facts about the US economy and its history, including the role of Congress, the Federal Reserve, banks, and labor unions.

Learn to distinguish between positive and normative statements and to think critically about the way ethical commitments inform judgements about policy.

Readings

The required text for ECON 101 is *Principles of Economics* **OR** *Principles of Macroeconomics*, 7th edition, by N. Gregory Mankiw, Cengage Learning, 2015. The former contains the material for both ECON 101 and ECON 102, while the latter contains only the material for ECON 101. One or both are available at the campus bookstore.

I will add freely-available short required “readings” (which may be blog posts, podcasts, videos, etc.) to the [list](#) as the semester progresses. You should supplement these with regular “reading” of reputable news and commentary on related topics that interest you. I recommend the following as a starting point:

EconTalk <<http://www.econtalk.org/>>

Marketplace <<http://www.marketplace.org/>>

Planet Money <<http://www.npr.org/blogs/money/>>

The Wall Street Journal <<http://online.wsj.com/home-page>>

Businessweek <<http://www.businessweek.com/>>

Freakonomics <<http://freakonomics.com/blog/>>

Assignments & Grading

Your course grade will be based on three in-class exams (35%), a comprehensive final (35%), multiple short quizzes (15%), and multiple short (mostly in-class) exercises (15%). I also reserve the right to add up to 5% to a final score for *exceptional* contributions to the class.

I expect that you will attend class regularly, but attendance is mandatory only in the sense that you can't complete in-class exams, quizzes, and exercises without being in class. (Please see the University attendance policy for more information.) **You will need to bring a computer of some kind to each class so you can complete quizzes and assignments on Bridges.** (If this will be a hardship for you, speak to me at our first class meeting.)

In-Class Exams: There will be three short (mostly multiple-choice) closed-book exams as scheduled below. There will be ***no make-up exams***, but I will drop the lowest of your three exam scores. Feel free to bring a calculator to the exams, but ***not a cell phone, laptop, etc.***

Final Exam: The final (mostly multiple-choice) exam will be given according to the RWU schedule. **Make sure your travel plans don't interfere with this date.**

Quizzes: There will be at least ten short multiple-choice quizzes, administered via Bridges and mostly completed during class. These are designed to give you (and me) frequent, immediate feedback about your understanding of the material as well as an incentive to keep

up with the reading and attend class. There will be **no make-ups**, but only your top ten scores will count toward your final grade.

Assignments: There will be about ten short assignments, administered via Bridges and mostly completed during class. I will award 0, 1, or (for exceptionally-good answers) 2 points on each assignment. There will be no make-ups, but a total of ten points will earn you 100% on this portion of your grade. (Come to class, keep up with the work, and you'll do fine.)

Extra Credit: There will be no extra-credit assignments.

How to Study for This Course

Read each assigned chapter in the text, and take the associated quiz, before it is covered in class. Attempt any suggested exercises before they are covered in class. Make a note about anything that is unclear to you.

Attend class. Take notes. Ask and answer questions about the readings or exercises or about relevant news items. A zip archive containing PowerPoint handouts and a PDF with answers to the Quick Quizzes in the text are available on Bridges as a starting point.

After class, and periodically thereafter, review the material *actively*. This means not just rereading the text and your notes, but attempting to recall the information without your notes and then checking your understanding. One way to do this is by forming a study group and taking turns “teaching” the material while your peers check your understanding and help you fill in the gaps. If you’re studying on your own, you might try creating a “deck” of questions and answers using Anki <<https://ankiweb.net/>> or Memrise <<http://www.memrise.com/>>. (You may also find material at these sites that you can use or customize.)

How to Get Help

I am available to you during the office hours above. You don’t need an appointment: just stop by. Don’t wait for the week before an exam to stop by: come see me as soon as you realize you’re stuck.

Email is also an excellent way to reach me. **Before contacting me about an administrative issue, be sure that your question isn’t already answered by the syllabus or reading list.** When contacting me with a question about the material, be sure to tell me (if applicable) which specific section of the text, which specific exercise, which specific quiz question, etc. you are asking about.

Bad Question: “Could you explain elasticity to me?”

Better Question: “Why is 20 the answer to question X.Y about elasticity?”

Great Question: “I tried question X.Y and I calculated the answer as $(3-4)/(3+4) / (2-1)/(2+1) = -0.05$, but the answer is 20. Where did I go wrong?”

How to Get More Help

Tutorial Support Services, located in the Center for Academic Development on the second floor of the University Library, provides peer and faculty tutoring at no charge for all RWU students. The Math, Writing, and Science Centers offer assistance Monday–Thursday 9–8; Friday 9–3; Sunday 2–8. See <<http://rwu.edu/academics/academic-services/tss>> for more information.

The Gabelli School of Business also provides tutors for its courses at no charge. Contact the administrative assistants in the GSB Dean’s Office to make arrangements.

Disability Accommodations

Any student who feels they may need an accommodation based on the impact of a disability should first contact the Student Accessibility Services office <<http://rwu.edu/academics/academic-services/sas/current-students>> to coordinate reasonable accommodations. The SAS office will provide documented/registered students with the specific information needed to begin the accommodation process. SAS is located on the second floor of the Main University Library in the Center for Academic Development and is open from 8:00 a.m. to 5:00 p.m. Monday through Friday. The contact number is 401-254-3841. Please then see me during my office hours so that we can have a private conversation about your specific needs.

Honor & Respect

Last, but certainly not least, I expect you all to uphold the high standards of RWU:

We, the students of Roger Williams University, commit ourselves to academic integrity. We promise to pursue the highest ideals of academic life, to challenge ourselves with the most rigorous standards, to be honest in any academic endeavor, to conduct ourselves responsibly and honorably, and to assist one another as we live and work together in mutual support.

<<http://rwu.edu/academics/academic-affairs/academic-standards>>

I expect that all work you submit will be your own, and that outside sources will be properly credited where appropriate. (For citations, the Chicago author-date system is most common in economics research, but APA or another standard style is also acceptable.) Cheating or plagiarism of any kind will result, at minimum, in a failing grade for the assignment.

In class, I expect that you will listen and participate rather than spend time on Facebook or your cell phone. If you must arrive late or leave early, then I expect you to minimize the disruption to the class by taking a seat near the door. Most importantly, I expect you to disagree with me and your classmates without being disagreeable. In return, I pledge to put the same effort into beginning and ending class on time, using your time productively, and respecting your ideas.

Tentative Outline

The exact timing and coverage of topics, though not the exam dates, may vary. I will update the [reading list](#) as we progress. There will typically be a short quiz as we begin each new chapter.

Ch. 1-2	Thinking Like an Economist
Ch. 4	Supply and Demand
Ch. 23	Measuring a Nation's Income
Ch. 24	Measuring the Cost of Living
Ch. 28	Unemployment
2/17	Exam #1
Ch. 25	Production and Growth
Ch. 26	Saving, Investment, and the Financial System
Ch. 27-1	Present Value
Ch. 29	The Monetary System
3/24	Exam #2
Ch. 30	Money Growth and Inflation
Ch. 33	Aggregate Demand and Aggregate Supply
Ch. 34	Monetary and Fiscal Policy
Ch. 35	The Phillips Curve
4/21	Exam #3
Ch. 31-32	Open-Economy Macro
TBA	Final Exam