

Syllabus
Econ102: Principles of Macroeconomics
Summer 2011

Instructor: Anwen Yin
Office: 280D Heady Hall
Phone: (515)294-2177
Email: anwen@iastate.edu
Office Hours: TBA
Course Time: 8:40 am - 9:40 am, MTWRF, May 16 - July 8
Course Location: 111 East Hall

Description: This course is designed to introduce classic macroeconomic issues such as growth, inflation, unemployment, interest rates, exchange rates, technological progress, and budget deficits. The course will provide a unified framework to address these issues and to study the impact of different policies, such as monetary and fiscal policies, on the aggregate behavior of individuals. These analytical tools will be used to understand the recent experience of the United States and other countries and to address how current policy initiatives affect their macroeconomic performance.

Prerequisites: This course makes extensive use of simple high school algebra and basic geometry. Econ101 is recommended but not required.

Textbook:

- Required:
 - *Macroeconomics, 2nd edition, by Krugman and Wells*
- Supplementary:
 - *Macroeconomics, 7th edition, by Gregory Mankiw*
 - *The Economist*
 - *New York Times*

Requirements:

- Problem Sets: Problem sets will be posted on Monday of each instruction week. A detailed solution will be provided after you turning in your assignments. I do not accept late problem sets. Team work (no more than two members) is allowed for problem sets.
- Mid-Terms: 3 in-class exams will be given on **May 27, June 10 and June 24**, respectively. *The highest TWO will count. Mid-terms are non-cumulative.* You have 60 minutes for each exam.

- Final Exam: It will be held in class on July 8. Final exam will be comprehensive but a significant weight will be given on the second half of this class. You have 60 minutes for the final exam.
- All exams are closed book. Use of programmable calculator is prohibited during an exam.
- No make-up mid-term will be given since only two out of three count.
- Make-up exam for the final: Only “excused absences” under University guidelines will be considered as valid excuses for missing final. To know about these, talk to an advisor. No other excuses will be accepted. The student must be prepared to substantiate his/her excuse for absence with documents (such as a physician’s letter, note from a family member or an University authority) and a make-up final exam will be accordingly arranged for him/her under the circumstances. Unexcused absences will be graded zero.
- Since this is a very introductory course, no prior knowledge of advanced mathematics is required or presumed. However we will be using high school algebra (very simple equations) and geometry (graphs) frequently. Indeed, knowledge of such basic math is necessary for most, perhaps all, introductory economics courses that you may be taking at ISU.

Grading:

Problem Sets	30%
Mid-terms (Best 2 out of 3)	40%
Final Exam	30%

Important Dates:

Exam 1	May 27
Memorial Day	May 30
Exam 2	June 10
Exam 3	June 24
Independence Day	July 4
Final Exam	July 8

Academic Integrity: All violations of academic integrity (as defined in the ISU handbook for students) are taken very seriously, and will be reported to the appropriate committee.

Disability Statement: If you have a documented disability that requires assistance, you will need to contact the Disability Resource (DR) Office for coordination of your academic accommodations. The DR is located in the Student Services Building, Room 1076. Their phone number is 515-294-7220.

Attendance: Attendance in lectures is strongly recommended since all exams and homeworks closely follow the lectures. It is your responsibility to find out what was covered in class if you do miss a lecture. I will not go over the missed material in office hours.

Want to be successful in this course? Then *don't skip class!*

Classroom Etiquette: We must all work together to make sure the in-class environment is an enjoyable experience for all and is conducive to learning. As a general principle: be considerate of those around you. Here are a few "Do's" and "Don'ts":

- Do turn your cell phone to silent mode in class.
- Do sit near the door if you must leave class early.
- Do feel free to ask questions during class.
- Do not talk with fellow students during lecture. If many students do this, the collective result is a lot of distracting noise.
- Do not start whispering or gathering up your materials before the lecture is completely over. It is very distracting.

Tentative Course Outline:

1. Introduction
2. International Trade Theory: *P.24-34, P.118-127*
3. Supply and Demand: *P.62-87*
4. Government Policy: *P.94-111, P.128-142*
5. Measuring National Income: *P.174-192*
6. Economic Growth: *P.226-251*
7. Growth and Inequality: *lecture notes will be provided*
8. Unemployment and Inflation: *P.200-219, P.446-450, P.288-294*
9. Consumption and Saving: *lecture notes will be provided*
10. Money, Banking and Financial System: *P.382-408, P.270-276*
11. Monetary Policy: *P.416-425*
12. Open-Economy Macroeconomics: *P.504-519*