



COURSE SYLLABUS

Course: **ECON 2013 – Principles of Macroeconomics**

Prerequisite: MATH 1203 or higher, or a score of 26 on the math component of the ACT exam, or 600 on the math component of the SAT.

Course Description:

The course presents the basic economic concepts and analytical tools needed to study contemporary economic problems and make informed policy as well as business decisions. These tools include supply and demand analysis in goods, labor, financial capital as well as foreign exchange markets. The main purpose of the course is to learn to think like an economist. This is an approach rather than a set of conclusions. There are no formal pre-requirements for the course, even though having some knowledge of Micro principles and a good mastery of Cartesian analysis would be an obvious advantage.

The main topics covered are: Scarcity and Choice, The Role of the Markets, Aggregate Demand and Supply, The Role of the Government and the Central Bank, Exchange Rates and Open Economy, and The Great Recession of 2007. A formal and thorough understanding of the current crisis, its causes, and the debate about its remedies is going to be the baseline theme and main goal of the course.

Basic Course Information:

- **Classes:** We meet Tu-Th at 11am-12.20pm in Walker Hall 124
- **Book:** W. Baumol and A. Blinder, “Macroeconomics: Principles and Policy”, 12th Ed. South-Western/Cengage Learning. The 11th edition (2010 update) will be acceptable.
- **Extra Readings:** These will be assigned during the course, in particular articles from newspapers or other economic books.
- **Course Web:** All the information and additional material of the course will be available on the Blackboard at <https://learn.uark.edu/>
- **Clickers:** Turning Technologies *Response Card RF*.

Grading and Other Important Rules:

The grade will be the sum of the following components: four tests, participation in the ESI sessions, homework/quizzes, and in-class activities. The distribution of the grade shares is:

10%	ESI Sessions Participation
15%	Homework and Quizzes (10+5)
15%	Test 1
20%	Tests 2, 3, and 4 (each)
Extra Credit	In-class activities

- **Tests:** With the exception of the last test, the tests will be taken in class during regular class time. They will last 70 minutes each. The tests will focus only on the corresponding part of the course. The last test is scheduled during finals week. The tests' dates are: February 7, March 6, April 10, and May 8. There will not be a final exam.
- **Rescheduling:** Make-up exams are generally not available. Exams will be rescheduled only for students affected by serious medical conditions, familiar mourning, or university-sponsored events. In these cases, you have to present a formal note from your doctor, the dean of undergraduate studies of your college, or your professor/coach at least three days before the date of the exam. The three days policy does not apply to medical emergencies.
- **ESI:** Designed as an aid to assist you outside of the classroom, the Enhanced Learning Center has developed an Economic Supplemental Instruction program for this course. You will join a small group of students for weekly meetings of 1 hour outside of regular class hours with our ESI leaders. Registration will be completed during the first week of class and the first meeting will be the second week of class. **Attendance is mandatory**, but you are allowed to miss up to **three** sessions. Registration for the ESI sessions at http://elc.uark.edu/?page_id=3
- **Homework and Quizzes:** You will have weekly assignments that will help you learning the material and getting a higher score in the tests.
 - a. The first of your duties is to **read the book** before and after coming to class. I will post on the Blackboard webpage of the course the sections of the book covered each week. Reading and understanding the book will be important to get more points in the in-class activities (see next bullet point) and to do your homework.
 - b. An **assignment** will be posted on Blackboard every week, typically by Wednesday/Thursday. This will be due the following week at your ESI session and your ESI leader will collect them. The solutions of the homework will be discussed by your ESI leader in class. You can discuss problems with each other, but you will definitely benefit from independent work. You are not allowed to miss more than **three** assignments.
 - c. In each ESI session, you will be taking a **short quiz** for about fifteen minutes. The quiz covers the material from the previous week, class notes, and homework. It will include a few multiple choice questions and/or short exercises. The solutions of the quizzes will be discussed by your ESI leader in class. You are allowed to miss up to **three** quizzes.
 - d. Homework and quizzes are obviously **graded** and will count 10% and 5% respectively of the total grade.
- **In-class Activities:** Starting from the second week, there will be daily in-class activities based on the material covered in the previous meetings or on the readings assigned for the day. These activities will require you to use a **wireless response device** (see below for more important information about the purchase of the clickers). These activities are not mandatory, but will allow you to earn extra points. The exact amount of points awarded by each activity will be indicated in class and the points will be

added to your test scores. Roughly, the total maximum extra credit that you can earn from these activities will be equivalent to 4-5% of the total grade.

- **Integrity:** The academic integrity rules of UA will apply to all the tests according to the University code of conduct. It is your responsibility to know it.
- **Disability:** Students with any kind of disability who want to request any particular accommodation must register with the Center for Students with Disabilities and inform the teacher as the semester begins. The same procedure, and only this, will allow you to request also a special accommodation for the exam. The request must be submitted to the Professor in writing at the beginning of the semester.
- **Overall Grade:** the overall grade is determined according to the following scale:

A	88% or more
B	Between 75% and 87.99%
C	Between 65% and 74.99%
D	Between 55% and 64.99%
F	Less than 55%

Turning Technologies Clickers:

In order to take part to the in-class activities, you will have to purchase a response card, better known as clicker. We will use the polling system and software provided by **Turning Technologies LLC**, which requires the use of their suitable clickers.

You will need to have the most basic of their clickers, the **Response Card RF** keypad. It costs about \$45 at the University bookstore (and it should also have a mail-in rebate for \$10). Starting from this semester, the bookstore is also renting the clickers for \$14 per semester.

New and used clickers are also available online. This is a link to the Turning Technologies online store: <https://store.turningtechnologies.com/index.cfm?fuseaction=Prducts>.

The same system is adopted at University level now and is used in other classes too. Keep in mind that this is a cost that will be possibly spread over more than one course.

IMPORTANT: Once you have purchased a clicker, you have to **register it on Blackboard**. You will find the instructions online.

Course Outline:

The following is a tentative outline of the topics we are going to cover. *I will update the plan of the course with all the details you need week by week and post it online on Blackboard. Check the webpage of the course!*

Part 1: Introduction (3 classes)

B-B Chapters 1 - 4

- a. Overview
- b. Economic choice and the role of markets
- c. Supply and Demand

Part 2: Output, Demand, Supply and Equilibrium (8 classes)

B-B Chapters 8-10, 5-6

- a. GDP and the aggregate demand
- b. GDP Equilibrium
- c. Multiplier
- d. Supply side

Part 3: Economic Policy and The Great Recession (12 classes)

B-B Chapters 7, 11-17

- a. Central Bank and monetary policy
- b. Government and fiscal policy
- c. Growth and economic policy
- d. Inflation and unemployment
- e. The Great Recession of 2007

Part 4: Open-Economy (3 classes)

B-B Chapters 18-20

- a. Comparative advantage
- b. Exchange rate