

Principles of Macroeconomics, ECO202-210 (Online), Summer I 2015

Prerequisite: Introductory Microeconomics, ECO201 or equivalent

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Location: 304B

Office: 302 Matthews Building

Office Hours: On campus, Tuesday and Thursday, 11:00 - 12:00AM or by appointment. I am also willing to meet with you over Skype if that is more convenient.

Course Website: Blackboard Section of ECO202-210

Course Objectives

The economic tools that you will master throughout this course are applied by managers in the business sector, policy makers in the government field and economic researchers in the academic arena. Additionally, with this knowledge in your backpack you will be able to critically analyze aspects related with domestic and international issues such as inflation, unemployment, monetary and fiscal policy, budget deficits, economic growth as well as international trade and finance. Students successfully completing this course should leave with a solid understanding of these macroeconomic concepts and their applicability to real world situations.

Textbook and Course Materials

The textbook that we will follow this semester is Macroeconomics by Hubbard and O'Brien (4th/5th Edition, Pearson Publishing). This an excellent book given the topics that we will cover and can be purchased at the bookstores or online. The 4th edition price starts from 10\$ on Amazon. Please do not purchase an edition older than 4th. **You do not need My Econ Lab access for this course.**

Course Outline

Part 1. Macroeconomic Foundations

- Ch. 8 - GDP: Measuring Total Production and Income
- Ch. 9 - Unemployment and Inflation
- Ch. 10 - Economic Growth, the Financial System and Business Cycles

Part 2. Short-Run Fluctuations

- Ch. 12 - Aggregate Expenditure and Output in the Short Run
- Ch. 13 - Aggregate Demand and Aggregate Supply Analysis

Part 3. Monetary and Fiscal Policy

- Ch. 14 - Money, Banks and the Federal Reserve System

- Ch. 15 - Monetary Policy
- Ch. 16 - Fiscal Policy

Exams

There will be two midterm exams and a cumulative final exam each worth 100 points. Exams consist of multiple choice questions only (about 50 for the midterms and 65 for the final). University regulations require that all students take the midterm and final exams on campus. All examinations will thus be held in Matthews conference room (304B) unless otherwise notified. Matthews building is located next to the Gatton College of Economics at 606 South Limestone Street, Lexington, KY, 40506. Please make sure you give yourself plenty of time to get on campus. Also, please let me know ahead of time if you have questions regarding arriving on campus.

Exam I will cover chapter 8, chapter 9 and section 10.1 from chapter 10. **Exam II** will cover sections 10.2 and 10.3 from chapter 10, chapter 12 and chapter 13. The **final exam** will cover chapters 14, 15 and 16. Note that the final exam is comprehensive. That is, 85% of the questions will come from chapters 14, 15 and 16 and 15% from the previous material. If you need to reschedule the final exam because of a conflict, university regulations require that you submit your request in writing to me **two weeks** before the date of the final exam. **PLEASE NOTE THAT ALL EXAMS WILL TAKE PLACE ON CAMPUS! PLEASE BRING WITH YOU A PHOTO ID!** You have 75 minutes for each of the midterms and 120 for the final.

You will have the possibility to take the the midterm either in the morning or in the evening. You have the option of taking the final exam either Monday (June 8) or Tuesday (June 9). Pick whatever suits you. If possible, I would like to get an idea about when do you intend to sit for the exams. In this regard, please send me an email with your name and preferences. The email subject should read "ECO202-210 First_Name Last_Name Exam". The body of the email should read "Midterm 1 (choose morning OR evening); Midterm 2 (choose morning OR evening); Final (choose Monday evening OR Tuesday morning)". The exam dates and walk-in hours are as follows:

- Exam 1 - Wednesday, May 20 (9AM-11AM and 4PM-7PM)
- Exam 2 - Friday, May 29 (9AM-11AM and 4PM-7PM)
- Final Exam - Monday, June 8 (4PM-7PM) / Tuesday, June 9 (9AM-11AM)

Makeup Exams

Makeup exams are given only for excused absences or if the student has obtained the instructor's prior approval. If you miss an exam with an unexcused absence you will receive a zero for the exam. The University defines the following as excused absences: illness of the student or serious illness of a member of the student's immediate family; death of a member of the student's immediate family; University sponsored trips; or major religious holidays. In each foreseen case, written verification will be required at least one week before the scheduled exam and permission to miss an exam must be secured before the scheduled exam time unless the cause of the absence is unforeseen. **IF YOU MISS AN EXAM FOR AN UNFORESEEN REASON YOU SHOULD CONTACT ME AS SOON AS YOU CAN. AND PLEASE DON'T RUSH TO TRAFFIC TO GET HERE!**

Quizzes and Assignments

I will post approximately 18 short quizzes (approximately 2 per chapter) that are designed to facilitate the learning of important economic concepts presented in each chapter. Only the highest twelve quizzes will be considered towards the final grade. However, each quiz is important in itself and thus I strongly suggest that you complete them all. Lecture quizzes are worth 5 points each. All quizzes will be available on Blackboard and will be graded automatically upon submission. In order to keep things simple please follow the instructions provided in the quizzes. As a convention, let's agree that no commas (,) are needed as separators for 1000s. Feedback will also be provided automatically upon submission.

PLEASE COMPLETE RELEVANT QUIZZES FIRST! All the quizzes are visible to the student from the very beginning for the sole reason that others might want to go ahead at a faster rate. However, I strongly recommend that you keep the pace with the exam schedule. In this regard you might be better off solving quizzes linked to the material covered on the next exam. Given the content coverage for each exam, below are the due dates and hours for each lecture quiz:

- Quizzes for material covered on Exam I are Ch 8 Quiz 1, 2 and 3, Ch 9 Quiz 1 and 2, Ch 10 Quiz 1. These quizzes must be submitted by May, 19 6:00PM or earlier.
- Quizzes for material covered on Exam II are Ch 10 Quiz 2 and 3, Ch 12 Quiz 1 and 2, Ch 13 Quiz 1 and 2. These quizzes must be submitted by May, 28 6:00PM or earlier.
- Quizzes for material covered on Exam III are Ch 14 Quiz 1 and 2, Ch 15 Quiz 1 and 2, Ch 16 Quiz 1 and 2. These quizzes must be submitted by June, 7 6:00PM or earlier.

Just as for the quizzes, **PLEASE COMPLETE RELEVANT HOMEWORK FIRST!** In addition to the lecture quizzes, you will complete and turn in three homework assignments that, in total, are worth 40 points (one before each exam). These assignments are aimed at mimicking the exam and prepare you for it. They are also a great resource for reviewing the material. Following the content coverage for each exam, below are the due dates for each homework:

- HW#1 (covers Exam I) is due May, 19 6:00PM.
- HW#2 (covers Exam II) is due May 28 6:00PM.
- HW#3 (covers Exam III) is due June 7 6:00PM.

Absolutely no late quizzes and/or homework will be accepted. You have only one attempt at completing and submitting the lecture quizzes/homework. However, you can pause and resume as you please thus completing the quiz in multiple sittings. I strongly advise you to try and submit your assignments ahead of time as tech issues may occur.

Practice Exercises

On Blackboard, under "Course Content" tab you can find a folder containing practice exercises by chapter. Completion is optional and there is no need to turn these in. These problem sets are designed to facilitate the learning process. Answer keys are also available.

Evaluation Criteria

Your final grade for the course is based on the following distribution: A: 90%-100%, B: 80%-89%, C: 70%-79%, D: 60%-69%, E: 59% and below. Grading will be based upon quizzes and homework assignments, two midterm evaluations and a cumulative final exam. Exam questions will reflect information and ideas presented in the assigned textbook chapters and lecture slides. Therefore, if you read through carefully, pay attention and work hard on the assigned homework and lecture quizzes then you should be in good shape for the exam.

Task	# points (% of Course Grade)
Quizzes and Assignments	12*5+40=100 points (25%)
Exam I	100 points (25%)
Exam II	100 points (25%)
Final Exam (Cumulative)	100 points (25%)
Total	400 points (100%)

Policy on Academic Accommodations Due to Disability

If you have a documented disability that requires academic accommodations, please see me or contact me as soon as possible. In order to receive accommodations in this course, you must provide me with a Letter of Accommodation from the Disability Resource Center (Room 2, Alumni Gym, 257-2754, email address jkarnes@email.uky.edu) for coordination of campus disability services available to students with disabilities

Cheating

Cheating is in no way tolerated at the University of Kentucky. Anyone caught cheating will be penalized severely. The minimum penalty is an "E" for the course. If you are found to have a cell phone out during an exam you will automatically receive a zero for that exam.

Grievance Procedure

Anyone feeling that a dispute exists after the grading of an exam, lecture quiz or homework may submit a written grievance. The grievance should identify the item in dispute and provide arguments supporting the student's position. **Grievances must be submitted within 3 days following the return of the exam, lecture quiz or homework.** Attach your entire exam, lecture quiz or homework to the grievance.

Blackboard

All materials (including lecture quizzes, homework assignments, announcements, handouts, practice problems, answer keys, etc.) will be posted on Blackboard. **It is essential that you check this resource regularly for updates.**