

<b>ECON 101</b>	<b>Introduction to Macroeconomics</b>
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Semester:	Fall 2013
Section:	05
Time of the class:	Tuesday, Thursday 08:00AM - 09:15AM
Room:	Quigley Hall, Room 217

<b>Simon Biló</b>
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Contact:	sbilo@allegheny.edu	
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Office hours:	Tuesday	03:00PM – 04:30PM
	Wednesday	01:00PM – 04:00PM
	Thursday	03:00PM – 04:30PM

<b>§1 Description</b>
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This is an introductory class in the economic way of thinking with focus on macroeconomy, or the economy as a whole. After brief discussions of supply and demand, you will learn about a range of macroeconomic issues. These include national income accounting, growth theory, market for loanable funds, unemployment, inflation, business cycle, monetary policy, and fiscal policy.

<b>§2 Goals</b>
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§2 (a) Appreciate that while no single individual can by himself make even such simple good as pencil, we use pencils every day.

§2 (b) Understand that macroeconomy is a complex orderly system driven by

unintended consequences of actions of many individuals.

§2 (c) Learn basic macroeconomic concepts and models. These should be helpful in understanding how orderly macroeconomic systems work, grow, and fail.

§2 (d) Learn that while there are *macroeconomic* problems, there tend to be only *microeconomic* answers. This means that good explanations of macroeconomic events are usually those that refer to actions of individuals rather than to forces that directly relate different macroeconomic aggregates.

§2 (e) Understand that all economic models have limitations. Models are only imperfect tools helping economists to understand complex economy.

### §3 Readings

#### §3 (a) *Textbook (required)*

Cowen, Tyler, and Alex Tabarrok. *Modern Principles: Macroeconomics*, 2<sup>nd</sup> edition. Worth Publishers. ISBN-10: 1-4292-3998-0; ISBN-13: 978-1-4292-3998-1

#### §3 (b) *Additional required materials*

I will often assign and distribute additional required materials. These

materials will be short (excerpts, newspaper articles, podcasts, videos) and they will correspond to current topic of the class.

#### **§4 My Expectations**

I expect you to carefully read all the assigned materials and to speak up during classes. Be intellectually curious, critical, and open-minded. Focus on logical coherence of your arguments and be polite to others.

## §5 Grading

Grading Scale			Assignment	Percent
	A 93-100	A- 90-92	Final	35%
B+ 87-89	B 83-86	B- 80-82	Midterm	25%
C+ 77-79	C 73-76	C- 70-72	Homework	15%
D+ 67-69	D 60-66		Quizzes	15%
	F<60		Participation	10%

### §5 (a) Final Exam (35% of the grade)

Description: Final Exam is cumulative, in-class, and closed-book.

Scope: It covers all material discussed in classes over the semester, all the assigned required readings, homeworks, and quizzes.

Types of questions: You should expect multiple choice questions, questions with short answers, questions that have to be illustrated by graph, essay questions, and simple mathematical exercises.

### §5 (b) Midterm (25% of the grade)

Description: Midterm is cumulative, in-class, and closed-book.

Scope: It tests you from all required material covered before the date of the midterm. The material includes all previous class discussions, all previously assigned required readings, homeworks, and quizzes.

Types of questions: You should expect multiple choice questions, questions with short answers, questions that have to be illustrated by graph,

essay questions, and simple mathematical exercises.

*§5 (c) Homework (15% of the grade)*

Description: I will assign three homework sets over the semester. Each set is worth 5% of your grade. You have to submit your homework by the announced deadline. I encourage you to submit it in person. If and only if you cannot submit your homework in person, you can send your homework to my email address (sbilo@allegheny.edu). Homeworks submitted after deadline get 0%. There will be no exceptions to this 0% rule.

I encourage you to work on your homework in studygroups. Studygroups cannot have more than 3 people, each member of the group has to write and submit the homework by himself/herself and everyone has to list the members of his/her group on the homework.

Scope: Homework relates to all required material covered before the submission date of the homework. The material includes all previous class discussions and all previously assigned required readings.

Types of questions: Homework exercises include questions with short answers, questions that have to be illustrated by graph, essay questions, and simple mathematical exercises.

*§5 (d) Quizzes (15% of the grade)*

Description: There will be generally one quiz every week (see §9 for the schedule). On the weeks when I assign quiz, I post it on Sakai by Monday noon. You submit quizzes from your computer again through Sakai by the end of Thursday of the same week. Each quiz has equal weight in calculating of your total grade for quizzes (see the exception below). Quizzes are *not* collaborative, but they are open-book. Quizzes submitted after deadline get 0%. There will be no exceptions to this 0% rule. Two quizzes with the lowest grade will be dropped at the end of the semester.

Scope: Each quiz tests you from all required readings assigned for the week when the quiz is due.

Types of questions: Multiple choice.

*§5 (e) Participation (10% of the grade)*

Description: Attendance will be taken in the beginning of each session of the class with exception of the sessions when you write your Midterm and Final. Each class when participation is taken has equal weight in determining your final Participation grade. This, for example, means that 100% of sessions attended when participation is taken will give you the maximum of your participation grade. It also means that if you attend 50% of the sessions when participation is taken, you will get 50% of the maximum of your participation grade. There will be no

exceptions to this rule.

*§5 (f) Extra Credit (up to 5% of the grade)*

Description: There will be extra credit questions on your Homework, Final, and Midterm.

Scope: The questions will primarily relate to additional required materials (see §3 (b)).

Types of questions: Expect these questions to be more demanding.

## **§6 Academic Integrity**

Familiarize yourself with The Academic Honor Code of Allegheny College, which is attached to this syllabus. I do not accept any excuses for violations of the Honor Code and I report all such violations to the Honor Committee.

## **§7 Disabilities**

Students with disabilities who believe they may need accommodations in this class are encouraged to contact Student Disability Services (SDS) at (814) 332-2898. SDS is part of the Learning Commons and is located in Pelletier Library. Please do this as soon as possible to ensure that such accommodations are implemented in a timely fashion.

## **§8 Your Allegheny Email Accounts and Sakai Accounts**

I expect that your Allegheny email accounts and your Allegheny Sakai accounts are active and that you check them regularly.



### §9 Course Outline

<i>Week</i>	<i>Date</i>	<i>HW/Quiz Due</i>	<i>Topic<sup>1</sup></i>	<i>C&amp;T<sup>2</sup></i>
1	08/27		Macroeconomics and the Economic Way of Thinking	Chapter 1
	08/29	Quiz #1	The Power of Trade and Comparative Advantage	Chapter 2
2	09/03		Supply and Demand	Chapter 3
	09/05	Quiz #2	Equilibrium	Chapter 4
3	09/10		Price Ceilings and Price Floors	Chapter 5
	09/12	Quiz #3	GDP	Chapter 6
4	09/17		Wealth of Nations	Chapter 7
	09/19	Quiz #4	Growth	Chapter 8
5	09/24		Growth	Chapter 8
	09/26	<b>HW #1, Quiz #5</b>	Growth	Chapter 8
6	10/01		Savings, Investment, Financial Market	Chapter 9
	<b>10/03</b>	<b>Midterm</b>	<b>Midterm</b>	
7	10/08		Stock Markets and Personal Finance	Chapter 10
	10/10	Quiz #6	Unemployment	Chapter 11
8	<b>10/15</b>		<b>Fall Break, 10/12-10/15 – No Class</b>	
	10/17	Quiz #7	Unemployment	Chapter 11
9	10/22		Inflation and the Quantity Theory of Money	Chapter 12
	10/24	Quiz #8	Inflation and the Quantity Theory of Money	Chapter 12
10	<b>10/29</b>		<b>Academic Programing Day – No Class</b>	
	10/31	<b>HW #2, Quiz #9</b>	Business Fluctuations	Chapter 13
11	11/05		Business Fluctuations	Chapter 13
	11/07	Quiz #10	Business Fluctuations	Chapter 13
12	11/12		Business Fluctuations	Chapter 13
	11/14	Quiz #11	Transmission and Amplification Mechanisms	Chapter 14
13	11/19		The Federal Reserve System	Chapter 15
	11/21	Quiz #12	Monetary Policy	Chapter 16
14	11/26		The Federal Budget	Chapter 17
	<b>11/28</b>		<b>Thanksgiving Break, 11/27-12/01 – No Class</b>	

<b>Week</b>	<b>Date</b>	<b>HW/Quiz Due</b>	<b>Topic<sup>1</sup></b>	<b>C&amp;T<sup>2</sup></b>
15	12/03		Fiscal Policy	Chapter 18
	12/05	<b>HW #3, Quiz #13</b>	Political Economy and Public Choice	Chapter 21
16	12/10		Review Class	
	<b>12/13</b>	<b>Final</b>	<b>Final, 2pm</b>	
Note 1: Dates of particular topics are orientational; dates of exams and assignments are fixed. Note 2: Cowen, Tyler, and Alex Tabarrok. Modern Principles: Macroeconomics, 2nd edition.				

### **§10 List of Attachments – hardcopy version only**

The Academic Honor Code

Source: [sites.alleghey.edu/academics/catalogue](http://sites.alleghey.edu/academics/catalogue)

Flyer of The Maytum Learning Commons

Source: [sites.alleghey.edu/learningcommons](http://sites.alleghey.edu/learningcommons)