

Dr. Tanya Molodtsova
Department of Economics
Appalachian State University

Office: Peacock Hall 3107
Phone: (828) 262-2117
E-mail: molodtsovat@appstate.edu

Principles of Macroeconomics: ECO 2040 Fall 2016

Class Time and Location: T-Th 12:30 - 1:45 p.m. in Peacock Hall 1015

Office Hours: W 2:00 – 5:00 pm or by appointment

Prerequisites: ECO 2030- Principles of Economics-Price Theory.

Course Description: This is an introductory course in Macroeconomics which will explore the basic macroeconomic concepts and tools, including problem solving and analytical thinking. You will learn about how our personal choices affect the economy as a whole.

Learning Objectives:

- To acquire in depth knowledge of basic macroeconomic terms, concepts, and methodology;
- To learn how important macroeconomic variables, including income level, employment, inflation and interest rates, are determined;
- To become familiar with the policy options that are available to policy makers and their implications;
- To learn to assess the likelihood that various policy options would improve economic growth and efficiency;
- To be able to apply macroeconomic reasoning (1) to better understand real world policy issues, such as unemployment, inflation and interest rates; (2) to interpret important macroeconomic data, and (3) to critically evaluate macroeconomic events covered in popular media.
- To gain long-term interest in macroeconomics and an appreciation of the importance of macroeconomic research to society.

It is your responsibility to attend every class that is scheduled. You are responsible for all the material and announcements presented in class. You are also responsible for all the material in the chapters covered in class. If you miss a class, you are expected to get the material that was covered in the class from another student in the course. If you work and your job is such that you are unable to attend lectures, then you should enroll in a different section of this course.

Required Textbook:

N. Gregory Mankiw, Principles of Macroeconomics, 7th edition, (available for rental in the bookstore).

Since the course has a strong focus on real world applications, I strongly recommend you to read economic magazines and newspapers on a daily basis. The publications, such as The Wall Street Journal (wsj.com), The Economist (economist.com), The Financial Times (ft.com), or The New York Times (nytimes.com), will help you to relate current events to the material you learn in this and other economics classes. The WSJ is offering student subscription at a highly discounted rate

at \$1 per week (15 weeks for \$15 or 1 year for \$49) for print, online, and full digital access. Let me know, if you are interested in purchasing a subscription at a discounted rate.

Grading: Your grade will be based on 3 highest midterm exam grades (out of 4) and 7 highest assignment grades (out of 10).

Midterms: 75%
Assignments: 25%
Pop-Up Quizzes: 5% (BONUS)

Keeping up with readings and lecture notes is extremely important in this class. There are three components of learning that will help you to get the most out of this course - reading the assigned materials, completing assignments and exams, and participating in classroom discussions.

1. Readings: The majority of reading assignments will come from your main textbook. I will make all assigned readings that are not from our main textbook available on AsULearn. Also, I will post my lecture slides on AsULearn. I expect students to print the lecture notes before coming to class. Although the lecture notes are not meant to be self-contained, they can serve to remind you the most important topics we discuss in each class. Much of the intuition, examples, and analysis is omitted from the slides. It is important to take good notes in class. The exams and assignments will be based both on the readings and the material we discuss in class.

2. Assignments and Midterm Exams: There will be 10 online assignments (available on AsULearn) in total. I will drop 3 of your assignments with **the lowest** grades. This should be enough to cover possible emergencies that may arise during the semester.

There will be 4 multiple-choice midterm **exams** that will cover the material in each of the four sections of the class. I will drop 1 of your midterms with **the lowest** grade. There will be **NO FINAL EXAM**.

There will be **NO MAKE UP EXAMS** given. If you are ill or an emergency arises that prevents you from taking an exam, it is your responsibility to contact me immediately. If you miss any exam without prior notification, you will receive a grade of **zero**.

3. Participation: Students are expected to attend every lecture, complete the readings in advance, and participate in classroom discussion. If you miss a lecture, it is your responsibility to learn the material missed. Pop-up quizzes will be given randomly throughout the semester to provide you a chance to earn extra credit (up to 5% of your final grade).

General Policies:

- 1) Please arrive in class on time and stay for the entire duration of the class to eliminate disruptions for your classmates.
- 2) Please do not bring any laptops, tablets, other electronic devices, or food items to class. If you use a cell phone, make sure to mute or turn it off during the lecture. We would like to minimize any disruptions during the class and create an atmosphere that is conducive to learning.

2) Students will adhere to the Honor Code. Academic misconduct will not be tolerated and may result in your removal from the course.

4) If you have special learning needs, please contact me in advance. I can make accommodations only if given advance notice.

Grading Scale:

GRADES ARE NOT NEGOTIABLE. Please do not contact me after the final semester grades have been posted (asking me to change your grade for any reason.) Of course, if you believe your grade was posted erroneously by all means DO contact me. Grades will be calculated using the following scale:

91-100	A
88-90	A-
85-87	B+
81-84	B
77-80	B-
73-76	C+
69-72	C
65-68	C-
62-64	D+
59-61	D
56-58	D-
0-55	F

Class Materials:

Lecture notes, announcements, syllabus, supplemental readings, home assignments, data, useful links, and other course-related materials will be available on AsULearn. Please check it regularly for updates.

Practice Questions: Before each exam, we will solve practice questions in class. I will make them available online, which will give you an opportunity to review the material and test your knowledge before the exams.

Important Dates:

Tuesday, September 27	Midterm 1
Tuesday, October 25	Midterm 2
Tuesday, November 15	Midterm 3
Tuesday, November 29	Midterm 4

College of Business Events of Interest:

[Boyles Distinguished Lecture](#)

Friday, October 28, 10:00 a.m

Held in the Holmes Convocation Center, the 1-hour Boyles lecture is open to the public with no fee to attend. This 58th lecture in the series will feature Paul Thompson, Founder and Chairman of Transportation Insight.

[Walker Business Connections](#)

Wednesday, September 28

Designed to help prepare Appalachian business students for the realities of the business world, the full-day, Peacock Hall event will feature workshops, professional panels and corporate information tables so that faculty, students and industry professionals can share knowledge about current industry trends and issues, career concerns and professional development.

[Carole McLeod Entrepreneurship Summit](#)

Friday, November 11

Mapquest Founder Chris Heivly will serve as the keynote speaker for this fall's Entrepreneur Summit, set in the Plemmons Student Union. Steve Norwood, Founder of Consolidated Asset Recovery Systems; Bobby Martin, Founder of VerticalIQ and author of The Hockey Stick Principles; and Sarah Green Freed, Co-founder of Empact will then deliver focus sessions, followed by breakout sessions with regional entrepreneurs.

Tentative Course Outline (subject to change)

<u>Dates</u>	<u>Topic</u>	<u>Chapter in Principles of MACRO</u>
<u>August</u>		
18	Introduction to Principles of Macro	
23	Measuring a Nation's Income	10
25	Measuring a Nation's Income	10
30	Measuring the Cost of Living	11
<u>September</u>		
1	Measuring the Cost of Living/Production and Growth	11, 12
6,8	NO CLASSES	
13	Production and Growth	12
15	Saving, Investment, & the Financial System	13
20	Saving, Investment, & the Financial System	13
22	REVIEW	
27	1st MIDTERM EXAM – September 27, Room 1015– Chapters 10-13	
29	The Basic Tools of Finance	14
<u>October</u>		
4	The Basic Tools of Finance	14
6	Unemployment	15
11	Unemployment	15
13	NO CLASS – SEMESTER BREAK	
18	The Monetary System	16
20	The Monetary System+ REVIEW	16
25	2nd MIDTERM EXAM – October 25, Room 1015 – Chapters 14-16	
27	Money Growth and Inflation	17
<u>November</u>		
1	Money Growth and Inflation	17
3	Open-Economy Macroeconomics: Basic Concepts	18
8	Open-Economy Macroeconomics: Basic Concepts	18
10	REVIEW	
15	3rd MIDTERM EXAM – November 15, Room 1015 – Chapters 17-18	
17	Aggregate Demand & Aggregate Supply	20
22	Aggregate Demand & Aggregate Supply	20
24	NO CLASS – STATE HOLIDAYS	
29	4th MIDTERM EXAM – November 29, Room 1015 – Chapter 20	