

SYLLABUS

ECON 100.003 - PRINCIPLES OF MACROECONOMICS

Fall 2008

Instructor: Nam T. Hoang
Office: 209 Roper Hall
Office Hours: Tuesday & Friday: 1:30 pm -3:00 pm and by appointment.
Lectures: Tuesday & Friday: 3:35 - 4:50 pm, WARD 104
Phone: 202-885-3733
Email: nhoang@american.edu

Course Description and Objectives:

Macroeconomics is the study of aggregate economic variables, the economy as a whole. This is in contrast to microeconomics, the study of the economic behavior of individual consumers, firms, and industries. We will study how economists model the relationships between aggregate economic variables and examine how various fiscal and monetary policies can affect the results. The main goal of this class will be to improve your economic literacy and ability to apply economic models to analyze world events

Required Text:

Krugman, Paul and Wells, Robin, (2006), *Macroeconomics*, Worth Publishers

Homework and Exams:

There will be four homework sets, three midterm exams and a cumulative final exam. Tests will consist of multiple-choice questions and occasionally some longer problems. Exams (other than the final) are not cumulative. Exams will be given in class on the days listed. You can take all three midterms or choose to take at least two out of three midterm exams. **All the exams will be administered in strict observance of the University Honor Code, without compromise or exception.**

Exam Schedule:

- Midterm 1: Friday, September 19th
- Midterm 2: Tuesday, October 14th
- Midterm 3: Friday, November 14th
- Final Exam: Tuesday, December 9th

Grading:

You have three options for how your final grade will be tabulated:

- **Option 1:**

For those who take two out of three midterms:

Two midterm exams: 20% each

Homework: 20%

Cumulative final: 40%

- **Option 2:**

For those who take all three midterms

Three midterm exams: 20% each

Homework: 20%

Cumulative final: 20%

- **Option 3:**

For those who take all three midterms but decide to drop the lowest grade midterm, then your final grade will be tabulated as option 1. You must inform me about your decision to drop the lowest grade midterm before the final exam.

There will be no makeup exams, every student has to take the final exam, if you miss 2 midterm exams or more you must come and see me to discuss your situation before you can receive grade for the class.

Lectures:

In lecture, new material will be presented that will follow topics from the textbook, but may differ in emphasis. **All students are expected to attend lecture regularly.** Besides all the obvious reasons to attend lecture, some exam questions may not be covered in the text but only covered in lecture.

Course Webpage: AU Blackboard

The class webpage will be used to post announcements, assignments, homework problems, exam results and other class related items. You are responsible for checking it on a regular basis, and completing any assignments posted there.

Course Topics:

(We will roughly cover a topic every week and since exams dates are fixed, they will only cover topics we have finished).

| Topic | Textbook Chapters |
|---|--------------------------|
| Introduction | 1 |
| Review of Supply and Demand, Price Controls, Elasticity | 3,4,5 |
| Macroeconomics overview | 6 |
| Measuring the Macroeconomy | 7 |
| Long-Run Growth | 8 |
| Savings, Investment | 9 |
| Aggregate Demand/Supply | 10 |
| Income/Expenditure | 11 |
| Fiscal Policy | 12 |
| Money | 13 |
| Monetary Policy | 14 |
| Labor Markets | 15 |
| Inflation | 16 |
| Modern Macroeconomics | 17 |
| International Trade | 18 |
| Open-Economy Macroeconomics | 19 |

General Education Information:

Principles of Macroeconomics, (Econ-100) is a foundation course in Curricular Area 4 (Social Institutions and Behavior) of the University's General Education Program. It is the first of a two-course sequence. Second-level courses include Poverty and Culture (AMST-240G), Principles of Microeconomics (ECON 200G), Schools and Society (EDU200G), Personal Finance and Financial Institutions (FIN-200G), Political Power and American Public Policy (GOVT-210G), Ethics in the Professions (PHIL-240G), Inequality: Class, Race Ethnicity (SOCY-210G) and Gender Politics and Power (WGST-225G).