

ECON 2105 Principles of Macroeconomics

Georgia Institute of Technology, School of Economics
Fall 2015

Basic Information

Instructor	Jingwen Qu
Class meeting time	MWF 12:05-12:55pm
Classroom	Klaus Building, Room 1447
Office hour	Friday 1:00-2:00 pm, in room 140 of Old CE building
E-mail	jqu8@gatech.edu
Course webpage	T-square

Course Description

Macroeconomics is a study of the economy as a whole. By focusing on aggregate economic variables such as gross domestic production (GDP), it is distinct from microeconomics which explores how individual households and firms make decisions and how they interact with each other in the markets. Topics such as GDP growth, inflation, financial crisis, fiscal and monetary policies, exchange rates and many others comprise the arena of macroeconomics. If you are curious about those issues, then this is the course for you.

The course aims to provide an overview of the principles of macroeconomic analysis at the most fundamental levels.

Learning Goals

Upon successful completion of this course, students are expected to

- Be familiar with common macroeconomic concepts
- Demonstrate the ability to apply the models learned in class to analyze daily macroeconomic phenomena and policies

Required Textbook and Supplement

- Textbook: Gregory Mankiw, *Principles of Macroeconomics*, 7th edition, published by Cengage
 - A hard copy of the textbook is on reserve at the library service desk, 1st floor west
- Supplement: *Mindtap*, offered by Cengage
 - It is a web-based teaching and learning aid that reinforces and clarifies the concepts covered in class through animations, interactive videos and activities.

- It comes with an online version of the textbook.
- *Mindtap* is **required** for this course. I will use it for your homework assignments and to provide extra contents and learning tools.
- If you choose not to buy the bundle of the textbook's hard copy and *Mindtap's* access code, you may purchase only the access to *Mindtap* (which comes with e-textbook).
- To access *Mindtap* for this course,
 - Connect to <http://login.cengagebrain.com/course/MTPQGFFP52GX>
Use **your GT e-mail address and your real name** to create a new account
 - Follow the prompts to register the course
 - The course key is: MTPQGFFP52GX (in case it is needed)
 - After you create an account for the course, you can use *MindTap* during the temporary access period before purchasing. This period is available until 11:59 PM on 09/06/2015 and when it ends you will be required to pay for access. Your scores and activity during the temporary access will be saved.

Course organization and student responsibilities

- Informal prerequisites
 - Some knowledge of algebra and graphs
- Course organization
 - In general, I will follow the textbook. But you are responsible for all materials, including occasional topics covered in class that are not in the book or are treated differently from the book.
 - Scarce classroom time will be devoted to materials for which classroom interpretation has the greatest incremental impact on your understanding. Those describing plain facts or institutional details that you can learn as easily from the book as from me are neglected in class, but remain an important part of the course.
 - I will send you e-mail messages and/or make announcements on T-square. These will inform you of homework assignments, additional reading materials, clarification of something that came up in class etc. So please get into the habit of checking your e-mail and the T-square site regularly.
- Suggestions for how to succeed in this course
 - This is a difficult course with a large amount of conceptual and analytical materials that build up very fast -- it is easy to fall behind and get overwhelmed.
 - So plan your study early and keep pace with the class.
- Classroom policies
 - During the class, please be considerate for your classmates. This include but is not limited to:
 - Setting cell phones to 'silent' and do not answer your phone

- Using laptop computer or other devices only for course-related activities (not for playing games or looking at Facebook, among other things).
- Other policies
 - If you miss a class, you will be responsible for the materials that we covered by talking to your classmates who attended the class.
 - When you write me an email, please include “ECON 2105” in the title.
 - Cheating and plagiarism will not be tolerated. Any violation of the Institute’s Honor Code will be reported to the Dean of Students Office.
- Accommodations through ADAPTS
 - Georgia Tech offers accommodations to students with disabilities. Please contact the ADAPTS office if you require such accommodation. If you already have a letter from the ADAPTS office approving specific accommodation, please be sure to give me a copy of that letter.
- **Verification of Participation**
 - Georgia Tech requires faculty members to report student participation in a course at the beginning of a semester.
 - In this course, please indicate your participation by submitting at least one of the homework assignments by September 11 at 11:59pm.

Online problem sets

- All homework assignments and practice problems will be distributed on *Mindtap*.
- There will be ten homework assignments that count towards your final grades. In general, they start from every Saturday and are due the next Friday at 11:59pm EST. However, there could be changes to this schedule as the course progresses. If that happens, I will announce it on T-square.
- Practice problems for each chapter are available on *Mindtap*. They will not be included in your final grades.
- It is advisable to get familiar with the software as early as possible by looking at the help menus and/or discussing with classmates.
- You will not be able to work on an assignment once its available time period has expired.

Grading

Components	% of grade	Grade scale	Requirements (out of 100)
Exams	3*20=60	A	above 90
Homework	30	B	between 70 and 90
Case Study	10	C	between 50 and 70
		D	below 50

- All exams, including the midterms and the final, are weighted the same in the final course grade. I will drop the lowest score of the four exams when calculating the final course grade.
- Generally, there will be no make-up tests given, except under extreme extenuating circumstances. Please be prepared to document the reason of your absence (by a note from the Dean of Students) and advise me ahead of time if possible.
- All homework assignments are also weighted the same in the final course grade.
- If you are taking the class as pass/fail, you need to obtain a "C" to get a satisfactory grade.
- I will not respond to inquiries such as personal negotiation on grades.

Tentative class schedule

Week 1 (August 17-21)

Introduction

- Chapter 1 Ten Principles of Economics
- Chapter 2 Thinking like an Economist
 - We will not discuss this chapter in class, but you should make efforts to read it on your own, especially for students who have not taken any economic courses before. Pay special attention to the appendix at the end of the chapter, which provides a good review of the graphical methods that we will frequently encounter in the later study.

How Markets Work

- Chapter 4 The Market Forces of Supply and Demand

Week 2 (August 24-28)

The Data of Macroeconomics

- Chapter 10 Measuring a Nation's Income

Case Study

Homework assignment 1 due at 11:59pm, August 28

Week 3 (August 31-September 4)

- Chapter 11 Measuring the Cost of Living

Case Study

Homework assignment 2 due at 11:59pm, September 4

Week 4 (September 7-11)

No Class - Labor Day Holiday (September 7)

Review for Midterm Exam I

Midterm Exam I (September 11)

Homework assignment 3 due at 11:59pm, September 11

Week 5 (September 14-18)

The Real Economy in the Long Run

- Chapter 12 Production and Growth

Case Study

Week 6 (September 21-25)

- Chapter 13 Saving, Investment, and the Financial System

Case Study

Homework assignment 4 due at 11:59pm, September 25

Week 7 (September 28-October 2)

- Chapter 15 Unemployment

Case Study

Homework assignment 5 due at 11:59pm, October 2

Week 8 (October 5-9)

Money and Prices in the Long Run

- Chapter 16 The Monetary System

Case Study

Homework assignment 6 due at 11:59pm, October 9

Week 9 (October 12-16)

No Class – Student Recess (October 12)

- Chapter 17 Money Growth and Inflation

Homework assignment 7 due at 11:59pm, October 16

Week 10 (October 19-23)

- Chapter 17 Money Growth and Inflation (continued)

Case Study

Review for Midterm Exam II

Midterm Exam II (October 23)

Homework assignment 8 due at 11:59pm, October 23

Week 11 (October 26-30)

The Macroeconomics of Open Economics

- Chapter 18 Open-Economy Macroeconomics: Basic Concepts

Case Study

Week 12 (November 2-6)

- Chapter 19 A Macroeconomic Theory of the Open Economy

Case Study

Homework assignment 9 due at 11:59pm, November 6

Week 13 (November 9-13)

Review for Midterm Exam III

Midterm Exam III (November 11)

Short-run Economic Fluctuations

- Chapter 20 Aggregate Demand and Aggregate Supply

Homework assignment 10 due at 11:59pm, November 13

Week 14 (November 16-20)

- Chapter 20 Aggregate Demand and Aggregate Supply (continued)
- Chapter 21 The Influence of Monetary and Fiscal Policy on Aggregate Demand

Week 15 (November 23-27)

No Class – Thanksgiving Holiday (November 23-27)

Week 16 (November 30-December 4)

Review for the final exam

Final Exam (December 11, 11:30am - 2:20pm, in the room for class)