# University of Wyoming
## College of Business
## Department of Economics and Finance

## ECON 1010
## Principles of Macroeconomics
## Spring 2019

**Instructor:** David Aadland
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**Lecture:** BU Auditorium
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**Class Homepage:** https://www.aadecon.com/classes/econ1010/

**Course Description:** Macroeconomics is the field of economics that describes aggregate issues in the general economy of a country. The critical issues of importance to the field are those that affect the standard of living of people living in countries across the globe: productivity, unemployment, and income distribution. Macroeconomics also considers the problems and interrelationships of inflation, exchange rates, national debt and deficits, and public policy in the economy. We will examine variables such as GDP growth, productivity, unemployment, inflation, income distribution, exchange rates, national debt and deficits and the effect of fiscal and monetary policy on these variables, in an attempt to understand why economies experience recessions and booms and the possible policy options governments might use to avoid decreases in the standard of living people enjoy.

**Course Prerequesites:** Absolutely none!

**Primary Text:** *Macroeconomics in Modules* by Paul Krugman and Robin Wells (3rd edition)

**Classroom Polls:** We'll be using REEF Polling to take classroom polls. It is free to download the app to your phone, tablet or laptop. Click here to learn more about getting started.

**Course Objectives:** To establish a basic understanding of how the macroeconomy operates.

**Human culture requirement (H):** This course fulfills the Human Culture (H) requirement of the 2015 University Studies Program. Human Culture (H) courses will help students understand human behaviors, activities, ideas, and values in different situations and contexts. Human Culture (H) courses will also develop and promote critical and creative thinking skills through active learning, inquiry of pressing issues, and individual and collaborative processing of ideas.

**Course Requirements:**

- Tests. Three midterm exams and a comprehensive final will be given. You are allowed to drop one midterm exam of your choice. If you miss an exam date due to an unexcused absence, that will serve as your dropped exam. Exams will consist of multiple-choice

questions and one essay-type question.  Practice exams with solutions will be made available prior to the exams.  The exam dates are…

Midterm #1:  Tuesday, February 26
Midterm #2:  Tuesday, April 2
Midterm #3:  Thursday May 2
Final Exam:  Thursday, May 16 @ 10:15 a.m.

- Homeworks.  The homeworks are administered through LaunchPad, the online supplement to the textbook.  There are thirteen homeworks, which is approximately one per week.  Only the top ten scores count toward your grade and you have unlimited attempts to answer the homeworks.  Therefore, if you are careful and thorough, you should be able to score a 100% on all ten homeworks.  Each homework has a due date and NO LATE ASSIGNMENTS WILL BE ACCEPTED.

- Bonus Polls.  Five polls will be randomly selected for bonus points – two points for your name and three points for the correct answer to an easy question from a previous lecture.

**Grading:**  The following grades are guaranteed:

A (90% or above)        B (80%-89%)        C (70%-79%)        D (60%-69%)

I will be using the optional "plus/minus" grading system for the B, C and D categories.  Anyone scoring above a 90% will receive an A.  Depending on the overall class performance, the above ranges may be altered toward the student's advantage.  For those taking the class pass/fail, a C or above is required for a pass.  Otherwise, exams and homeworks will be weighted as follows:

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|---|---|---|
| 10 Graded Homeworks | (100 pts) | 20% |
| 2 Graded Midterms | (200 pts) | 40% |
| Final Exam | (200 pts) | 40% |
| | --------- | ------- |
| | (500 pts) | 100% |
| 5 Bonus Polls | (  25 pts) | 5% |
| | --------- | ------- |
| | (525 pts) | 105% |

**Tutor:**  Tutoring is available in this class at the STEP Tutor Center. STEP is open Sunday-Thursday from 5-9 pm and is located in Coe Library.  Sessions are drop in (no appointments) and are 30 minutes in length.  STEP has also opened a Satellite Tutor Center in the basement of Washakie and has online tutoring available as well.  Please watch your email for details about all of these services.

Please visit the STEP Tutor Schedule for days and times: www.uwyo.edu/step. STEP opens Sunday, February 3rd.

**Attendance Policy:**  Attendance is not mandatory but encouraged.

**Academic Dishonesty:** Also known as "cheating" and/or "plagiarism," *academic dishonesty will not be tolerated in our program.* Any case of academic dishonesty in this course will be prosecuted in accordance with UNIREG 802 Rev. 2. Academic dishonesty will result in a permanent "F" in any course as a minimum outcome, and will almost certainly result in additional sanctions as permitted under University Regulations. Academic dishonesty includes (but is not limited to) cheating on tests, copying the work of others in the class or from previous classes, plagiarism or other use of published or electronically available materials without complete citations, fabrication of referenced material, or use of "smart phones" during exams. Students allowing others to commit academic dishonesty are as guilty as those committing the act and will also be prosecuted as allowed under University Regulations. It is up to the student to be familiar and understand academic dishonesty regulations and to be responsible for any outcomes that occur if you commit such acts. The current University Regulations on academic dishonesty can be found [here](here).

**Learning Objectives:** During this course, students will:

1. Be able to demonstrate a basic awareness and understanding of economic analysis. *For example, students will learn how to explain in words and use to interpret economics conditions the concepts of national income, production, unemployment, inflation, business cycles and economic growth.*

2. Be able to demonstrate the ability to use quantitative, analytical and technical skills relevant to economic research and analysis. *For example, students will learn how to solve graphically for equilibrium of aggregate demand and aggregate supply, and to consider the influence of fiscal and monetary policy.*

3. Demonstrate an awareness of various international, global, and social perspectives. *Course content will deal not only with the American economy, but with the world economy, both directly and indirectly. Students should understand the global context these issues arise within.*

4. Consider the Human Culture Learning Objectives with a combination of:

   i. Examining values about human culture and the place of humanity in the world. *For example: macroeconomics explores how the choice of an economic system affects the standard of living of people living in that country, based on labor/capital productivity, unemployment, and income distribution. The economic system affects how people relate and interact with each other in the economic sphere as consumers and producers and their economic freedoms, possibilities and incentives. Conversely, the design of the economic system itself tends to reflect the human quest to maximize possibilities for cooperation while managing conflicts of interest as productively as possible. Students will examine these concepts using economic theory presented in class. They will explore questions like why an economy experiences inflation, recessions, and booms. They will also examine public policy options (fiscal spending, tax cuts) to reduce the economic consequences of a downturn in the economy.*

   ii. Examining and explaining how human ideas and experiences influence societies, human behavior, and human-social interactions. *For example: macroeconomics considers the problems of inflation, depressions, monetary exchange rates, national debt and deficits, and public policy in an economy. Students will use the models developed to predict the human-social consequences of*

*alternative economic circumstances, current events, and alternative public policies that can impact the interrelated economic variables (prices, income, wealth). They will learn how human values and ideas shape their choices and interactions, how they respond to changing circumstances and the short and long-run economic trajectories of their societies.*

iii. Comparing different methods and theories to interpret and explain human events and cultures. *For example: students will be challenged to gain a working knowledge of models explaining aggregate economic behavior to better understand human events in the popular press and media. The instructor will introduce and examine current events from the perspective of a macroeconomist. They will learn how to compare and contrast potential economic outcomes relative to the current outcome. This comparison will provide them a tool to make any arguments for or against public intervention in a market (labor, financial, capital) and to evaluate claims made in the popular press and by political leaders about the economy.*

iv. Demonstrate critical thinking and problem solving abilities. *Students will be asked to provide analysis of economic phenomenon, which will require critically analyzing the economic context and circumstances described in assignments and classroom materials covered. Homework will require problem solving abilities to be used to apply economic principles to analyze outcomes or to provide potential policy solutions to problems. Students should be able to comment on both the negative and positive policy implications of any economic policy.*

v. Be able to evaluate the credibility, accuracy, and reliability of conclusions drawn from information. *Students will be challenged to justify the credibility of data they are asked to refer to relative to the "best available data" they might be able to draw upon and to think about what it is possible and not possible to infer from statistical evidence. For example, alternative data may have to be used because the best or most appropriate data could not be accessed due to cost and/or time constraints. Students will be trained to test the reliability of conclusions based multiple data sets using standard economic principles.*