

Unbound Prometheus – Summer Program 2017

Principles of Macroeconomics

Instructor: Lawrence Costa

Course Description

This is a typical introductory course examining basic principles of macroeconomics. The material covers three main conceptual entities: 1) Certain introductory topics fundamental to the discipline of Economics at large such as the scarcity problem, opportunity cost, production possibilities frontier, and supply and demand analysis. 2) Business cycles, the main topic of macroeconomics, by looking at the three main indicators used to assess the state of the economy and the causes of instabilities. 3) The third main entity engages in a thorough discussion of fiscal policy and the public debt as well as monetary policy.

Classroom Decorum, Attendance, & Academic Standards

I do not take attendance but I do expect that students will attend all lectures and will adhere to basic academic standards. Dishonesty will be penalized. Term papers will be scanned electronically to check sources and for any plagiarism.

Textbook & Required Material

- *Principles of Macroeconomics*, 8th edition, by Gregory Mankiw, ISBN: 978-1-305-97150-9
- You will also need the accompanying Aplia package to complete electronic assignments.
- You should have a 4-function or scientific calculator for exams; graphing calculators (e.g., the TI-89) and cell phones are not permitted

Course Schedule

I plan to cover sections one and two the first day. Thereafter, we will cover roughly one per day. Each midterm will take half a day (the first one may be a bit shorter as the material is easier). The short-run material at the end is important so we will keep to this schedule so there is adequate time for it.

Part One

1. Introductory Material (chapters 1-3)
 - Given the compressed nature of a summer program, we will cover this section quickly. You will be expected to have read the material before the course begins.
2. Markets, Supply, & Demand (chapters 4-6)
 - Again, you should read this material before the course starts.
3. Markets & Welfare (chapters 7-9)
4. Macroeconomic Data (chapters 10 & 11)

Midterm 1

- Written, in-class, closed book

Part Two

5. Classical Long-run Model *part 1* (chapters 12 & 13)
6. Classical Long-run Model *part 2* (chapters 14 & 15)
7. Money, Banking, Prices, & the Federal Reserve (chapters 16 & 17)

Midterm 2

- Written, in-class, closed book

Part Three

8. Open Economies (chapters 18 & 19)
9. Keynesian Short-run Model *part 1* (chapters 20-22)
10. Keynesian Short-run Model *part 2* (chapters 20-22)

Term Paper

- This will be submitted electronically in both PDF and Word formats two weeks after the completion of the course. We will discuss topics at the start of the program.

Exams & Assignments

- Two midterms will be given as listed in the schedule. Each will account for 25% of the final grade.
- A term paper will be due after the conclusion of the program on 5 August. This should give you time to write it without overburdening you with work during your time in Greece. The paper will be 35% of your grade.
- Electronic homework assignments through Aplia will make up the remaining 15% of the grade. These are primarily to help you practice the material (rather than as a means of assessment). I may very well make some of these due sometime after the completion of the course (again so as not to overload you with coursework while in Greece).

Grading Policy

- For large classes, grades are determined by either the following cut-off levels or the following curve (whichever is greater):
 - *Cut-offs*
 - 90-100: A's
 - 80-89: B's
 - 70-79: C's
 - Below: D's & F's
 - *Curve*
 - ~30% A's
 - ~40% B's
 - ~20% C's
 - ~10% D's & F's
- For small class sizes (such as those to be expected in a summer program), I reserve the right to be less-restrictive based on performance (e.g., with, say, five students an even distribution of performance may be unlikely; so, if everyone does well, everyone will get a good grade).