Course Description

This course offers an introduction to modern macroeconomics. It provides the students with tools to understand the fundamental concepts of supply and demand, economic growth, business fluctuations, unemployment, inflation, fiscal and monetary policy and international trade. The economic theories studied in class are discussed in relation to current events and real-world examples.

Textbook and Readings

The required textbook for this course is *Macroeconomics* (Krugman and Wells, Worth Publisher, 3rd ed.). You can either purchase the (new/used) physical copy of the book (make sure it is the 3rd ed.) or purchase the ebook from Sapling Learning (they offer a bundle for homework access card+ebook for $90). Additional articles, lecture notes and slides will be distributed during the course (on Canvas).

Grading

- **Two midterms (15% each)**
- **Final exam (40%)**: The final exam is comprehensive, but will focus on the most recently taught material.
- **Problem sets (10%)**: Weekly homework will be assigned via Sapling Learning.
- **Group project (10%)**: Students are required to choose a project and develop it in groups of 5 people. Groups will present a summary of their work to the class.
- **Class participation (10%)**: Students are expected to actively participate in lectures and discussions.

Do not expect any extra credit opportunities. Treat all your assignments as your opportunities to show me what you’ve learned. You will receive a score for each component of your total grade. Your total course score will translate into a letter grade at the end of the semester.
Problem sets

Submission of problem sets is compulsory. In order to access and submit the weekly problem sets, you need to purchase a homework access card from Sapling Learning ($40). The purchase can be made in the BC bookstore or online at Saplinglearning.com. If you do not care about having a physical copy of the textbook, you can purchase their bundle homework access card+ebook for $90.

Sign-up instructions to Sapling Learning:


2. If you already have a Sapling Learning account, log in then skip to step 3.
   
   If you have Facebook account, you can use it to quickly create a Sapling Learning account. Click the blue button with the Facebook symbol on it (just to the left of the username field). The form will auto-fill with information from your Facebook account (you may need to log into Facebook in the popup window first). Choose a password and timezone, accept the site policy agreement, and click “Create my new account”. You can then skip to step 3.
   
   Otherwise, click “Create account”. Supply the requested information and click “Create my new account”. Check your email (and spam filter) for a message from Sapling Learning and click on the link provided in that email.

3. Find your course in the list (you may need to expand the subject and term categories) and click the link.

4. Select a payment option and follow the remaining instructions.

5. Once you have registered and enrolled, you can log in at any time to complete or review your homework assignments. During sign up - and throughout the term - if you have any technical problems or grading issues, send an email to support@saplinglearning.com explaining the issue.

Group Projects

Students are required to form groups (5 people each) and choose the topic of research. I suggest you to get inspired by reading economy related newspapers, such as The Economist, or by visiting some of the major economic blogs to read about new and interesting ideas and economic debates:

- http://marginalrevolution.com/
A brief description of the topic and a list of group members should be sent to me via email by **October 8, 11.59pm**.

The choice of the topic is completely up to the group members. However, you should keep in mind that:

− you will need to be able to explain it to your peers (and me) using concepts covered in class;
− in case two (or more) groups pick the same topic, a first-come first-serve principle (based on when I receive the email) will apply; have a second topic ready, just in case.

Groups will be required to prepare a 10-15 minutes presentation (using Microsoft Power Point) to illustrate their work.

**Tentative Schedule (subject to changes)**

- **Week 1 (Sept. 3, 5)** Introduction to Economics and Economic Ideas
- **Week 2 (Sept. 8, 10, 12)** Supply and Demand
- **Week 3 (Sept. 15, 17, 19)** International Trade and the Open Economy
- **Week 4 (Sept. 22, 24, 26)** GDP and Inflation
- **Week 5 (Sept. 29, Oct. 1, 3)** Unemployment, In-class assignment 1
- **Week 6 (Oct. 6, 8)** Long-run Economic Growth
- **Week 7 (Oct. 15, 17)** The Solow Model, Savings and Investment
- **Week 8 (Oct. 20, 22, 24)** Economy in the Short-run, the Multiplier Effect
- **Week 9 (Oct. 27, 29, 31)** Aggregate Demand and Aggregate Supply
- **Week 10 (Nov. 3, 5, 7)** In-class assignment 2
- **Week 11 (Nov. 10, 12, 14)** Fiscal Policy
- **Week 12-13 (Nov. 17, 19, 21, 24)** Monetary Policy
- **Week 14 (Dec. 1, 3, 5)** Crises and Consequences, Presentations of group projects
- **Week 15 (Dec. 8, 10)** Presentations of group projects
Important Policies

− Attendance
Attendance is required to do well on exams. If you must miss a lecture, I suggest you get and discuss the notes with a classmate, and then contact me with any questions during office hours or by appointment. I strongly encourage you to ask questions throughout the lecture. Be sure to attend lecture on time, and to stay until the end of class, unless you inform me in advance of your early departure.

− Make-up exams
All exams will be in-class exams. There are no make-up exams. If, for any justifiable reason, you miss the first midterm, the weight of the second midterm will be increased to 20% and the final exam to 50%. If, for any justifiable reason, you miss the second midterm, the weight of the final exam will be increased to 55%. If, for justifiable reasons, you miss both midterms, your final exam weight will increase to 70%. Do not miss the final exam; you will receive a zero for it if you do. A justifiable reason is an illness with medical documentation or a school-sanctioned athletic event with official documentation. You are required to inform me of any such absence in advance whenever possible. Without advance notice of absence, you are liable to receive a zero on the exam. Any other reason for absence is not justifiable and will result in a zero on the missed exam.

− Academic Integrity
You are encouraged to work together to understand the lectures and the material in the textbook. However, you must work on the problem sets by yourself, and all homework must be your own. Of course, you may not work together on any exams. It is your responsibility to familiarize yourself with the university’s policy on academic integrity: http://www.bc.edu/integrity. If you have any questions, ask me. Violations of academic integrity will be reported to your class dean and judged by the academic integrity committee in your school. If you are found responsible for violating the policy, penalties may include a failing grade as well as possible probation, suspension, or expulsion, depending on the seriousness and circumstances of the violation.