

ECON 103: Principles of Macroeconomics

University of Illinois at Urbana-Champaign
College of Liberal Arts & Sciences
Department of Economics

Instructor: Eric McDermott
Foellinger Auditorium

Fall 2016
M,W 10:00-10:50am

Communication:

Office: DKH 19B
Office Phone: Use Email
E-mail: emcd@illinois.edu
Office Hours: Tuesday 3:00-4:00pm

TA Office Hours: **All held in DKH 17**

TA	Email	Discussion	Office hours
Bei Yang (head TA):	beiyang2@illinois.edu	F 11,12, 1pm	F 8:00-10:50
Chen Ding:	cding3@illinois.edu	Th 9,10,11,12	M 11am-1pm, M 3:30-4:30
Yuci Chen:	ychen278@illinois.edu	F 2,3pm	Tu 9:30-10:30am
Sebastian Laumer:	laumer2@illinois.edu	Th 1,2,3,4pm	Tu 12:45-1:45pm, Wed 8-10am
Jeff Xu:	jxu42@illinois.edu	Th 9,10am	Tu 11am-12
Zheng Zhang:	zhang232@illinois.edu	Th 9,10,11,12	W 11-2pm
Meysam Zare:	mzare2@illinois.edu	Th 1,2,3,4pm	Th 10-1pm

Course Website:

<https://compass.illinois.edu>

I will send all updates via emails through this site so please be sure you are receiving them. You will be able to retrieve your grades through this and I will have discussion boards on here where you can ask questions that I and the TAs will monitor. I would very much like to have students have input on these as well. If you have a question related to an assignment, quiz, lecture or exam, please post it on the relevant discussion board and wait for a response before notifying myself and Bei Yang that no response has been posted. This will get you answers more consistently and will save your TA from answering the same question 20 times. You will have to do homework and quizzes on Aplia which is a separate site so note that.

Homework and Quiz Platform:

Aplia. You can either purchase access to this with the textbook or by getting the electronic version of the book. You will have to register through the course's Aplia link:

<http://login.cengagebrain.com/course/M4ZG-7H9V-GDWC>

Further instructions are available in a file in the compass.illinois.edu website.

Course Description:

This course provides an overview of how the macroeconomic questions that face policymakers. We will discuss the history and evolution of some of the domestic institutions as well as the global issues in the world today, while pointing out the limitations of macroeconomics so students fully understand the difference between normative and positive statements.

Course Format:

Lectures are held 10:00-10:50am every Monday and Wednesday in Foellinger Auditorium. This is a large lecture but you are expected to attend each session and engage with i>clicker questions as well as in brief small group discussions.

Discussion is held once per week with your teaching assistant for the section you registered for. This is to supplement what is covered in lecture, both for review and for further examples.

Aplia is the program you will use online to access your homework and quizzes.

There will also be two **midterms** and **final exam**, held during the regular class time in Foellinger Auditorium on the scheduled days.

Course Objectives:

- Students will be “economically literate” and fully able to engage in policy discussions related to the economy.
- Students will be able to understand the differing effects policies can have on different people throughout the distribution and when policy decisions can and cannot be objectively said to be optimal.
- Students will be able to explain the difference between Monetarist and New Keynesian perspectives and what each implies for policy.

Required Texts and Related Materials:

McDermott, Economics Econ 103-AL1: Principles of Macroeconomics Workbook. Fall 2016

Aplia Homework and Quiz System and Textbook (or online textbook) – Mankiw, N. Gregory. *Principles of Macroeconomics*. 7th Edition. 2015. Cengage Learning.

online textbook option <http://services.cengagebrain.com/course/site.html?id=1376653>

i>clicker

Basic Calculator (scientific, not graphing)

Aplia Registration:

You can either purchase the textbook from the bookstore or you can purchase the online version, but either way you need to go to

Student Registration URL:

<http://login.cengagebrain.com/course/M4ZG-7H9V-GDWC>

Access code: **THIS YOU WILL GET WHEN YOU PURCHASE APLIA VIA YOUR TEXTBOOK**

Course Key: M4ZG-7H9V-GDWC **You will need this after purchase but can also use it before purchase for the first two weeks.**

Course Grade:

Midterm 1	25%	Wednesday, September 28
Midterm 2	25%	Wednesday, November 9
Final Exam	25%	TBD
Homework (APLIA)	15%	Assigned each week: Due Friday nights
Quizzes (APLIA)	5%	Assigned each week: Due Sunday nights
Class Participation	5%	i>clicker, discretion

Plus/Minus Grade Cutoffs

A+ ≥ 97	B+ ≥ 87	C+ ≥ 77	D+ ≥ 67	60 > F
97 > A ≥ 94	87 > B ≥ 84	77 > C ≥ 74	67 > D ≥ 64	
94 > A- ≥ 90	84 > B- ≥ 80	74 > C- ≥ 70	64 > D- ≥ 60	

Calculating your grade:

To calculate your final homework grade, we will drop the lowest two homework scores and average them to get your homework grade. We will do the same with the quizzes to get your quiz grade. We will drop the seven lowest i>clicker scores and average the rest to get your Class Participation grade. After that, we multiply each category (participation, quizzes, homework, midterm 1, midterm 2, and final) by the appropriate percentage to calculate your final grade. **No extra credit or re-weighting is offered.**

Assessment Policies

Exam Policy:

There will be three exams (two midterms and a final) given during the semester. Each midterm will cover only the material since the previous midterm. The Final Exam will be comprehensive (cumulative), however. All students must bring their University Student ID with them to every exam. If you do not have your student ID you may not be given the exam. As a rule, we do not offer conflict exams. We follow the university guidelines pertaining to exceptions to this policy as stated in the Student Code. If you have three consecutive final exams you will be entitled to have one of them scheduled for another time. If you believe you are eligible for a conflict exam, you must notify both your TA and Instructor in writing during the first three weeks of class. If you do not notify us during the first three weeks of class, you may not be eligible for the conflict. If a conflict is required, but you are unable to attend the conflict as scheduled, the weight of the missed exam will be added to the weight of the final exam at the end of the semester.

The following materials are allowed for use during the exam: scientific calculator. There are to be no books, papers other than the exam itself, cell-phones or other items that connect to the internet. Students found to be using unapproved items are in violation of the Academic Integrity policy of the University and will be subject to disciplinary action.

Homework & Quizzes:

Homework and quizzes represent an important part of this course and will all be completed on **Aplia**. Access to Aplia must be purchased along with your textbook (hard copy or electronic version) and registered within the first week of classes. You will be assigned a homework and quiz each week. The homework questions can be attempted up to 3 times (although you will receive a different version). You

should continue attempting as the best attempt will count. You will also be assigned a quiz each week but you will only receive one attempt on the quiz before a grade is assigned to it. The quiz will be 5-10 questions long and you will have 40 minutes to complete it (which is double the amount intended, but allows for all accommodations and other technological issues you may experience). You are responsible for making sure all homework assignments and quizzes are completed on time.

At the end of the semester, we will eliminate three (3) homework assignments and two (2) quizzes with the lowest scores (you get a zero for any quiz or homework not completed on time). No late homework assignment or quiz will be accepted for any reason. Assume that an emergency may arise for you and act accordingly – complete each assignment and quiz on time so that you will be able to drop scores in the event of an emergency as this is why we eliminate/drop those scores.

Important Dates:

Deadline to Add: **Friday, September 2nd.**

Deadline to Drop without a grade of W: **Friday, October 14th.**

Final Exam: TBD

Course Packet:

The course packet will have slides for lectures as well as comprehension questions for each lecture. These are meant as both a complement and a supplement to the textbook. It will be available at IUB book store. They may not be available for the first day of class, but will be available the first week. Notify your TA if the book store runs out.

I>clicker, Class and Discussion Boards Participation:

We will be using I>clicker in lecture to further encourage active participation during lecture. I>clicker, I>clicker +, and I>clicker 2 remotes are all fine for use. Please do not use web>clicker as there have been problems with connectivity and you risk not having your scores registered when you use this. You will be asked one or more questions during lecture and asked to respond with your individual clicker. Your responses will be graded and recorded. Questions will be drawn from readings and lecture notes. You will be given 0% for an incorrect answer, 75% for an incorrect answer and 100% for a correct answer. You will receive an I>clicker score for every lecture (aside from day 1) by averaging the scores from that day. We will drop your seven lowest scores at the end of the semester. These drops are the accommodate for any temporarily lost, forgotten, or malfunctioning I>clickers. It is your responsibility to keep your I>clicker functional and with you in class. There will be no make-ups and no accommodation for forgotten clickers.

You can purchase your I>clicker at the Illini Union Book Store and should bring it to every lecture. You should register your clicker as soon as possible by logging in to **compass.illinois.edu**. You will have to go to the link on the left of the page upon logging in and register the i>clicker number (on the back of the device). Your clicker does not need to be registered before you use it in class, but it does need to be registered as soon as possible. If not registered by the second week of class, you risk losing your I>clicker points for the course. You will only see your I>clicker points in compass.illinois.edu once your instructor has synced your grades go compass.illinois.edu. Using another student's I>clicker in class is cheating and will be reported as a case of academic dishonesty.

Compass2g Discussion Board: **Compass.illinois.edu** will be used to post announcements as well as to give you an opportunity to ask questions online about course content. This is also a great source of help on your homework. Our TAs will be diligent in answering student questions on the Discussion Board, so

please take advantage of this resource. Please also look to see if your question has already been addressed before asking it. There will be an ongoing discussion board for lecture material as well as a separate discussion board each week for homework/quiz/exam questions.

Final Exam Conflict Policy:

From the University's final exam policy:

- Any student having more than two consecutive final examinations is entitled to rescheduling as follows if he or she takes the following action no later than the last day of classes:
 - The student must investigate whether a conflict examination is being held at another time for any of the examinations involved.
 - If a conflict examination has been scheduled for any of the courses, the student must take one or more of these conflict examinations. If conflict examinations are offered for more than one course, the student must take the conflict for the course that has the largest number of students.
 - If no conflict examinations have been scheduled, the student must contact the instructor of the course having the largest number of students. The contact must be made no later than the last day of classes, and that instructor must provide a makeup examination.
 - Normally in a semester several combined-sections, conflict, and non-combined examinations are given at the same time. As a guide to resolving conflicts, an order of priority has been established within each examination period, and a student should resolve a conflict using the published examination schedules and the following priority guidelines.
 - National and state professional examinations (e.g., CPA, actuarial science, Architecture Registration Examination) take priority over campus final examinations. An instructor must offer a conflict examination to a student scheduled to take a national or state professional examination and a campus final examination at the same time.
 - A non-combined course examination has precedence over any combined-sections or conflict examination.
 - A department offering a combined-sections final examination must provide a conflict examination if required to accommodate student conflicts.

The University's final exam policy is available at:

http://studentcode.illinois.edu/article3_part2_3-201.html

Emergency Response Recommendations:

The university maintains guidelines for emergency responses. A list of recommendations when to evacuate and when to find shelter are available at:

http://illinois.edu/cms/2251/general_emergency_response_recommendations_8_16_13_final.docx

Floor plans for specific buildings are available at:

<http://police.illinois.edu/emergencyplanning/floorplans/>

Statement on Accommodations:

To obtain disability-related academic adjustments and/or auxiliary aids, students with disabilities must contact the course instructor and the Disability Resources Educational Services (DRES) as soon as possible. To contact DRES you may visit 1207 S. Oak Street, Champaign, call 333-4603 (V/TTY), or email a message to disability@uiuc.edu

Academic Integrity:

"The University has the responsibility for maintaining academic integrity so as to protect the quality of education and research on our campus and to protect those who depend upon our integrity.

Expectations of Students. It is the responsibility of each student to refrain from infractions of academic integrity, from conduct that may lead to suspicion of such infractions, and from conduct that aids others in such infractions. Students have been given notice of this Part by virtue of its publication. Regardless of whether a student has actually read this Part, a student is charged with knowledge of it. Ignorance is not a defense."

The University's full academic integrity policy is available at:

http://studentcode.illinois.edu/article1_part4_1-401.html

Semester Schedule:**Lecture 1: Monday, August 22** Intro, What is Economics?

Register for Aplia

Lecture 2: Wednesday, August 24 Circular Flow Diagram

Due Wed 8/24: Register for Aplia and I>clicker

Due Fri 8/26 (11:45pm): Aplia Homework

Due Sun 8/28 (11:45pm): Aplia Quiz

Lecture 3: Monday, August 29 Basic models of the economy**Lecture 4: Wednesday, August 31** Measuring GDP

Due Fri 9/2 (11:45pm): Aplia Homework

Due Sun 9/3 (11:45pm): Aplia Quiz

Monday, September 5: Labor Day – No Class!

Lecture 5: Wednesday, September 7 Aggregate Supply & Aggregate Demand

Due Fri 9/9 (11:45pm): Aplia Homework

Due Sun 9/11 (11:45pm): Aplia Quiz

Lecture 6: Monday, September 12 More AS-AD & Fluctuations

Lecture 7: Wednesday, September 14 Labor Market

Due Fri 9/16 (11:45pm): Aplia Homework

Due Sun 9/18 (11:45pm): Aplia Quiz

Lecture 8: Monday, September 19 More on the Labor Force

Lecture 9: Wednesday, September 21 Minimum Wage

Due Fri 9/23 (11:45pm): Aplia Homework

Due Sun 9/25 (11:45pm): Aplia Quiz

Lecture 10: Monday, September 26 Monetary System

MIDTERM 1: Wednesday, September 28

MIDTERM 1: IN LECTURE – BRING YOUR STUDENT ID AND SCIENTIFIC CALCULATOR

Lecture 11: Monday, October 3 More on the Monetary System

Lecture 12: Wednesday, October 5 Monetary Crises

Due Fri 10/7 (11:45pm): Aplia Homework

Due Sun 10/9 (11:45pm): Aplia Quiz

Lecture 13: Monday, October 10 Economic Growth

Lecture 14: Wednesday, October 12 More on Economic Growth

Due Fri 10/14 (11:45pm): Aplia Homework

Due Sun 10/16 (11:45pm): Aplia Quiz

Lecture 15: Monday, October 17 Fiscal Policy

Lecture 16: Wednesday, October 19 More on Fiscal Policy

Due Fri 10/21 (11:45pm): Aplia Homework

Due Sun 10/23 (11:45pm): Aplia Quiz

Lecture 17: Monday, October 24 Prices, RGDP, CPI, Deflators

Lecture 18: Wednesday, October 26 Phillips Curve

Due Fri 10/28 (11:45pm): Aplia Homework

Due Sun 10/30 (11:45pm): Aplia Quiz

Lecture 19: Monday, October 31 International Trade

Lecture 20: Wednesday November 2 More on International Trade

Due Fri 11/4 (11:45pm): Aplia Homework

Due Sun 11/6 (11:45pm): Aplia Quiz

Lecture 21: Monday, November 7 More on International Trade

Due Fri 11/11 (11:45pm): Aplia Homework

Due Sun 11/13 (11:45pm): Aplia Quiz

Midterm 2: Wednesday, November 9

MIDTERM 2: IN LECTURE

Lecture 22: Monday, November 14 Basic Finance

Lecture 23: Wednesday, November 16 Why do stocks have such a high rate of return?

Due Fri 11/18 (11:45pm): Aplia Homework

Due Sun 11/20 (11:45pm): Aplia Quiz

No Lecture or Discussion Nov. 21-25: Thanksgiving Break!

Lecture 24: Monday, November 28 Welfare Economics

Lecture 25: Wednesday, November 30 Debates in Economic Policy

Due Fri 12/2 (11:45pm): Aplia Homework

Due Sun 12/4 (11:45pm): Aplia Quiz

Lecture 26: Monday, December 5 Debates in Economic Policy

Lecture 27: Wednesday, December 7 Continuation, Review

Final exam: TBD