

# PRINCIPLES OF MACROECONOMICS

Economics 105, Sections 1-8 & 657

FALL 2006

MW at 9:00-9:50pm in ANTHRO 163

Th OR F Lab Time Depends on your section

Professor **Melissa Binder**, Econ 1006-D, 277-3548, [mbinder@unm.edu](mailto:mbinder@unm.edu)

Office hours: Tuesdays 2:30-4:00pm & by appointment

Teaching Assistants

Sections 1 & 4 **Elaine Conway**, Econ 1027, 277-0176, [lilyrose@unm.edu](mailto:lilyrose@unm.edu)

Office hours: Tuesdays & Thursdays 11:00am-12:00noon & by appointment

Sections 2, 6 & 7 **Bishwa Koirala**, Econ 1022, 277-2035, [bkoirala@unm.edu](mailto:bkoirala@unm.edu)

Office hours: Wednesdays 2:00-4:00pm & by appointment

Sections 3, 5 & 8 **Ian Kleats**, Econ 1006-E, 277-1956, [imkleats@unm.edu](mailto:imkleats@unm.edu)

Office hours: Mondays & Wednesdays 10:00-11:00am

**COURSE DESCRIPTION** The study of macroeconomics involves big (economy-wide) issues like unemployment, GDP, economic growth and inflation. Students who successfully complete this course will be able to come to their own conclusions about how rising gas prices will impact the economy, if the Fed should stop raising the interest rate and the significance of rising national debt, as well as other topics that make front page news because they have real impacts on real people. Using a combination of lectures, lab exercises and web-based instruction, this course will take a step-by-step approach to understanding the complexities of the U.S. economy.

## REQUIRED MATERIALS

Mankiw, Gregory. *Brief Principles of Macroeconomics, 4<sup>th</sup> Edition*. (Mason, Ohio: Thomson/South-Western Publishers 2007)—physical or digital version.

Aplia, a web-based learning tool developed specifically for introductory economics courses.

**Aplia includes a digital copy of the textbook.** A separate handout provides the course key code and instructions for accessing Aplia.

There are 4 ways to get these materials:

1. You can buy the (physical) text and Aplia combined from the UNM book store for \$128.50. The bundle comes with a payment code that gives you access to the Aplia site.
2. You can buy an Aplia payment code alone from the book store for \$68.
3. You can buy Aplia directly on line, for \$60.
4. You can buy Aplia directly on line for \$60, and order the physical book from them for \$40 + \$5 shipping.

**APLIA** We will use Aplia extensively for learning the material and it is worth 15% of your final grade (so don't blow it off!!!). Aplia is basically a study-guide combined with problem sets. Under "Course Materials" at the Aplia site, you'll find chapter reviews and helpful hints for each chapter. Under "Assignments," you'll find practice and graded problem sets. There will be TEN graded problem sets due on Sundays at 11:00pm. Every graded problem set also has an OPTIONAL "Re-Do" problem set due the following Tuesday or Friday night. Your Aplia grade for each assignment will be the original problem set, or, if you choose to do the "Re-Do," it will be the average of the original problem set and the "Re-Do."

**LABS** On Mondays and Wednesdays I will give lectures in Anthro 163. Your third hour of class (either on Thursday or Friday, depending on your section) will be conducted as a "lab" with a TA for going over problems and to provide interactive learning experiences, including experiments and discussions. Your lab grade is worth 20% of your final grade (so don't blow it off either!!!).

**Special Needs** Please notify me in the first two weeks of class of any special needs you may have so that I can arrange to accommodate them.

**COURSE REQUIREMENTS:** Your grade for the course will be calculated as follows–

Aplia (15%): Work through practice and graded problem sets assigned in most weeks. Your lowest TWO Aplia grades will be dropped.

Labs (20%): Friday labs (see above) will involve problem-solving and interactive activities, including demonstrations and discussions that will help you understand the material. Many activities will be completed during the lab, but others may require some take-home work, including reading an article before lab. Your lowest TWO lab grades will be dropped.

3 In-Class Exams (45% OR 20%): If you do better on the final exam than you did on the in-class exams, the in-class exams will only count for 20% and the final will count for 45%. Your lowest in-class exam grade will be dropped. Because of this policy, there will be **NO make-up exams**.

Cumulative final exam (20% OR 45%): The final will be on Wednesday, December 13, 7:30-9:30 AM in Anthro 163.

**RECOMMENDED:** Extra credit points will be awarded for the following activities and assignments. Each extra credit point converts to 1/10 of a point added to your final grade. So if you receive 30 extra credit points, you'll get 3 points added to your final grade. The maximum number of extra credit points you can receive is 40.

Course Survey (10 points) The econ department is conducting a study of students registered for our Principles of Micro and Macro classes, to learn about how academic background, classroom instruction and student expectations affect performance and satisfaction with the course. The information we collect will be matched with your final grade in the course, and with an end-of-semester survey, but after the matching, and before reviewing the data, we will delete all identifying information to preserve your anonymity. **You will receive an email with an ID and a link to the survey during the third week of class, with a follow-up toward the end of the semester.** Completing each survey will take between 5 and 10 minutes. You will receive 5 extra credit points (see below) for completing the first survey, and 5 extra credit points for completing the second survey.

Class attendance and participation (20 points): To make you less anonymous in this huge class, we will randomly assign 20 or so students, with name-tags, to a class-within-the-class "seminar" in the first row every class meeting. These 20 students will be responsible for (1) staying awake and (2) interrupting me with questions that clarify the material. Each student will be assigned to the bottom row twice during the term, and will get 5 extra credit points for sitting there. You will get ANOTHER 5 extra credit points if you interrupt me! If you must miss class because of illness or other reason, be sure to email or phone the "seminar" TA ([Elaine-lilyrose@unm.edu](mailto:Elaine-lilyrose@unm.edu) 277-0176) BEFORE class, so that you don't lose your free points. You can have up to three excused absences.

Newspaper article analysis (30 points): Receive up to 10 points for each NEWS or MAGAZINE article you analyze using concepts relevant to the class. A good source for articles is LEXIS-NEXIS [from the University Libraries home page, click on Find Articles, choose Research Databases and Indexes by Name, then "L" in the alphabetic list]. Your analysis should include a relevant graph, formula or definition from the course. I have examples of assignments that received the full 10 points in my office if you'd like to see what I'm looking for. Staple your 1-2 page, TYPED analysis to the article. Limit 3 articles. Hand in to your TA any time until 5pm on December 8.

Learn Chapter 9: The Basic Tools of Finance (20 points). Do the Aplia problem sets and hand in your answers to Questions for Review (1-7) and Problems and Applications (1-10) at the end of the chapter. Hand in to your TA any time during the semester until 5pm on Dec 8.

## CHECKING YOUR GRADES

Exam grades and Lab grades will be posted directly to your WebCT Vista account, within a week for exams and within a day for labs. Aplia grades will be posted to WebCT the first business day after the Re-Do is due. Go to <http://vista.unm.edu>.

## GETTING HELP

Bring your questions to office hours of instructor and TAs. Really! Feel free to go to any office hours, including those of TAs other than the one who teaches your lab.

Test reviews will be conducted by the TAs in the evening before each exam, including the final.

CAPS provides free tutoring for this (and any other) course. Call 277-4560 for more information.

**COURSE SCHEDULE**

WEEK of		Topic	READINGS	Aplia Due @ 11 PM	OTHER
1	Aug 21	<b>Math Review &amp; PPF</b>	Mankiw, pp. 38-46 Mankiw, Chapters 1 & 2	Fri & Sun	Friday APLIA walk-in help (optional)—10am to noon in Econ 1004
2	Aug 28	<b>NIPA</b>	Mankiw, Chapter 5 APLIA--“What’s wrong with the GDP?”	Fri Re-Do & Sun	Bring THREE discussion questions to lab based on Aplia reading.
3	Sept 4	<b>Growth</b>	Mankiw, Chapter 7	Fri Re-Do & Sun	LABOR DAY--No class on Monday
4	Sept 11	<b>CPI</b>	Mankiw, Chapter 6	Fri Re-Do & Sun	
5	Sept 18	<b>Supply &amp; Demand</b>	Mankiw, Chapter 4	Fri Re-Do	Review for Exam—Tues, Sept 19, Econ 1002, 7-8 pm EXAM #1—Wed, Sept 20
6	Sept 25			Sun	
7	Oct 2	<b>SIF</b>	Mankiw, Chapter 8	Fri Re-Do	Preview game instructions for lab.
8	Oct 9			Sun	FALL BREAK—NO LABS
9	Oct 16	<b>INTERNATL MACRO</b>	Mankiw pp. 275-285 APLIA—“Up to Our Eyeballs in Debt?”	Tues Re-Do	Review for Exam—Tues, Oct 17, Econ 1002, 7-8 PM EXAM #2—Wed, Oct 18
10	Oct 23	<b>MONEY</b>	Read Mankiw, Chapter 11 APLIA—Link to “Germany 1923”	Sun	
11	Oct 30	<b>Inflation</b>	Read Mankiw, Chapter 12	Fri Re-Do & Sun	
12	Nov 6			Tues Re-Do	Review for Exam—Tues Nov 7, Econ 1002, 7-8pm EXAM #3—Wed, Nov 8
13	Nov 13	<b>AD &amp; AS</b>	Read Mankiw, Chapter 15	Sun	
14	Nov 20	<b>Short Run Policy— Monetary &amp; Fiscal</b>	Read Mankiw, Chapter 16		THANKSGIVING—No Labs
15	Nov 27			Fri Re-Do Sun	
16	Dec 4	<b>REVIEW</b>		Fri Re-Do	
17	Dec 13	<b>Everything</b>	Wednesday, Dec 13 Cumulative Final Exam 7:30-9:30 AM in Anthro 163 Review for Final—Tuesday, Dec 12, ECON 1002, 7-8 pm		

## IMPORTANT DATES

<b>Fall Semester</b>	<b>2006</b>
Instruction begins	August 21, Monday
Registration ends - last day to add courses or change sections	September 1, Friday
Labor Day, holiday*	September 4, Monday
End of fourth week; last day to change grading options	September 15, Friday
End of sixth week; last day to drop a course without a grade	September 29, Friday
Mid-semester (eighth week)	October 14, Saturday
Fall Break*	October 12-13, Thursday-Friday
End of twelfth week; last day to withdraw without approval of college dean	November 10, Friday
Thanksgiving, holiday*	November 23-26, Thursday-Sunday
Withdrawal deadline; last day to withdraw from a course with approval of college dean	December 8, Friday
Last day of instruction	December 9, Saturday
Final examination period	December 9-16, Saturday-Saturday
Last day to report removal of incomplete grade	December 15, Friday
Semester ends	December 16, Saturday
Commencement (subject to change)	December 15, Friday

MAP—Econ is Building #57, located North of Zimmerman Library & South of Parish Library

