ECON 1120 – Principles of Macroeconomics – Summer 2016

Syllabus

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Overview: ECON 1120 introduces the basics of macroeconomics. All of the major themes of macroeconomics will be covered: gross domestic product, cost of living, money, inflation, aggregate demand and supply, short and long run equilibrium, fiscal policy, monetary policy, government debt, international trade, and economic growth.

Learning Objectives: The goal of this course is to enable you to become intelligent users and consumers of selected macroeconomics data and theory. More specifically:

1) You will be able to understand the calculation of GDP, price level, unemployment rate, nominal and real interest rates and exchange rates.
2) Predict the effects of changes in money on prices, interest rates, and exchange rates in the long run.
3) Understand the function of the U.S. banking system and the Federal Reserve System.
4) Be able to describe the issues surrounding the short-run fluctuations in the macro economy using aggregate supply, aggregate demand, long run aggregate supply, and expectations.
5) Be able to explain the mechanism of the gains from trade and specialization.
6) Know the mechanisms that contribute to economic growth.

Course Materials:

1) Blackboard: All course information, announcements, data sets, and so on will be made online via Blackboard (Cornell’s system of academic websites). You can gain access to Blackboard at blackboard.summer.cornell.edu. The course has already been created, and you should be automatically enrolled, so once you log into Blackboard click on the ‘My Blackboard’ tab and you should see the class listed. The exact name is ‘ECON 1120 Intro Macroeconomics (Summer 2016)’. The course is under the College of Arts & Sciences, in the department of Economics.
2) Online Videos: All of the videos are posted in Blackboard.
3) See the Mankiw, Principles of Macroeconomics website for student resources.
4) I will be using the online homework and grading site Aplia for this course. An electronic version of the textbook (Mankiw’s Principles of Macroeconomics, 6e) is included as part of the online fee.
Aplia will provide you with a reduced price for a hard cover copy of the textbook if you desire (However, older versions of the text are fine so if you can find a used copy of editions 4 or 5 that will be just as good). The directions for enrolling in Aplia are posted in Blackboard.

**Homework Assignments:** All of the homework assignments will be handled through Aplia. When you log into the Aplia site, and course, you will see all of the homework assignment – one per chapter. The due dates are presented. You can work on the assignments on your own time; however, the first group of assignments must be completed by 11:45pm (Eastern Standard Time), Sunday, June 12. The second set of homework assignments must be completed by 11:45pm (Eastern Standard Time), Thursday, June 23. The total of all of your homework assignments will be worth 30% of your final grade.

**Preliminary Exam:** There will be one preliminary exam; it will be held on Monday, June 13, for 75 minutes between 6-11:15pm (Eastern Standard Time). The exam will be worth 30% of your final grade. See the topic list below for the topics that will be covered on the preliminary exam.

**Final Exam:** The final exam will be held on Friday, June 24, for 105 minutes between 6-11:45pm (Eastern Standard Time). The final exam is not cumulative: It will only cover the material after the preliminary exam (items 10 through 17 below). The final exam will be worth 40% of your final grade.

**Online Chat/Getting Help:** Please feel free to e-mail me with any questions you have. I am willing to set up a time to discuss the material by phone. Also, I am willing to hold online webinars. If you want to hold a webinar with me let me know and we can select a time. During a webinar you would log into a site that would give you access to my desktop and audio so that we could discuss the course material and I could demonstrate online.

**Academic Integrity:** Each student in the course is expected to abide by the Cornell University Code of Academic Integrity: (see http://cuinfo.cornell.edu/Academic/AIC.html.) Any work submitted by a student in this course for academic credit must be the student’s own work. Students agree that by taking this course all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted paper will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting
plagiarism of such papers. Use of Turnitin.com service is subject to the Usage Policy posted on the Turnitin.com site.

**Disability Accommodations:** If you have a disability that requires accommodation, especially additional time for exams, please bring a copy of your approval letter to my attention as early as possible in the semester so that I can make arrangements.

**Class Schedule:**

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Wed</td>
<td>June 1</td>
<td>First official day of class</td>
</tr>
<tr>
<td>Sun</td>
<td>June 12</td>
<td>First set of assignments due by 11:45pm</td>
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<tr>
<td>Mon</td>
<td>June 13</td>
<td>Prelim: 6-11:15pm eastern standard time (online)</td>
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<tr>
<td>Th</td>
<td>June 23</td>
<td>Second set of assignments due by 11:45pm</td>
</tr>
<tr>
<td>Fri</td>
<td>June 24</td>
<td>Final Exam 6-11:45pm eastern standard time (online)</td>
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Order of Topics

1. Introduction *
2. Chapter 3: Interdependence and the gains from trade *
3. Chapter 4,5,6,7,8,9: Review of supply and demand *
4. Chapter 10: Calculation of gross domestic product *
5. Chapter 11: Measuring the cost of living *
6. Chapter 12: Production and growth*
7. Chapter 13: Savings, investment, and the financial system *
8. Chapter 14: The basic tools of finance*
9. Chapter 15: Unemployment *

10. Chapter 16: The monetary system
11. Chapter 17: Money growth and inflation
12. Chapter 18: Open-economy macro
13. Chapter 20: Aggregate demand and aggregate supply
14. Chapter 21: The influence of monetary and fiscal policy on aggregate demand
15. Chapter 22: The short-run trade-off between inflation and unemployment
16. A monetarist’s review of the Great Depression
17. A monetarist’s review of the Great Recession

* these topics will be covered on the preliminary exam