

ECONOMICS 2010 PRINCIPLES OF MACROECONOMICS

INSTRUCTOR: Angela Birk
OFFICE: CEBA 2115
OFFICE HOURS: TTh 12:30 to 1:30 and by appointment
PHONE: 578 3787
E-MAIL: abirk@lsu.edu
WEB PAGE:

READING MATERIAL:

1. *Principles of Macroeconomics*, by R. Frank and B. Bernanke, Second Edition. (Required)
2. *Study Guide to Accompany Principles of Macroeconomics*, prepared by Jack Mogab and Bruce McClung (Additional)

NOTES:

The study guide provides a summary and review of important concepts, along with practice problems and a chapter self-test.

The web site for the text provides on-line tests and links to relevant material for each chapter. The address is: http://www.mhhe.com/economics/frankb/student_index.mhtml

TESTS AND GRADING

Grades will be based on three 1-hour exams plus the *comprehensive* final exam. The final exam will be the same for all sections of 2010 taught by graduate teaching assistants and instructors. It will be given at the time scheduled by the university.

All exams will be multiple choice. *There will be no make-up exams under any circumstances.* An exam that is missed will be considered an F, unless the instructor is notified *prior* to the exam and the excuse is a legitimate medical one or officially approved. Exams that are missed for excused reasons will not be retaken, but additional weight will be given to the final exam to compensate. *No extra credit work is possible.*

The grading is as follows: there are 100 possible test points during the course (22.5 for each 1-hour exam and 32.5 points on the final). Grades will be assigned on the following scale:

88 points and above	= A
78-87 points	= B
68-77 points	= C
58-67 points	= D
57 points and below	= F

COURSE OUTLINE AND READING ASSIGNMENTS

I. MACROECONOMIC ISSUES AND DATA

- A. Chapter 4 (Macroeconomics: The Bird's-Eye View of the Economy)
- B. Chapter 5 (Measuring Economic Activity: GDP and Unemployment)
- C. Chapter 6 (Measuring the Price Level and Inflation)

TEST 1: AFTER COMPLETION OF PART I

II. THE ECONOMY IN THE LONG RUN

- A. Chapter 7 (Economic Growth, Productivity, and Living Standards)
- B. Chapter 8 (Workers, Wages, and Unemployment in the Modern Economy)
- C. Chapter 9 (Saving and Capital Formation)
- D. Chapter 10 (Money, Prices, and the Federal Reserve)
- E. Chapter 11 (Financial Markets, and International Capital Flows)

TEST 2: AFTER COMPLETION OF PART II

III. THE ECONOMY IN THE SHORT RUN

- A. Chapter 12 (Short-Term Economic Fluctuations: An Introduction)
- B. Chapter 13 (Spending and Output in the Short Run)
- C. Chapter 14 (Stabilizing Aggregate Demand: The Role of the Fed)
- D. Chapter 15 (Inflation and Aggregate Supply)

TEST 3: AFTER COMPLETION OF PART III

IV. THE INTERNATIONAL ECONOMY

- A. Chapter 16 (International Trade and Trade Policy)
- B. Chapter 17 (Exchange Rates and the Open Economy)

FINAL EXAM (Comprehensive)

HELPFUL HINTS

In economics we use models to understand the real world. Learning how these models work and applying them to different situations is one of the objectives of this course. You need to know that economics is not about memorization but understanding. In order to understand how these models work, you need to sit down with pencil or pen in hand and go through the examples in text plus the questions and exercises in the study guide. If you have difficulty in following examples or answering questions, this should be a signal to you that there is a problem in your understanding. At this point you need to go over the material once again and ask for help from your instructor.

Systematic study, rather than cramming, is the way to learn and earn a good grade in this class. Attending the lectures, reading the text, using the study guide, and utilizing the textbook's web site are all important in your learning process.