

COURSE SYLLABUS

Course Time: Mon/Wed 8:00AM-9:15AM / (9:30AM-10:45AM)

Room Number: Aliber 9 (102)

Course Number: 7818/ (7819)

Economics 10: Principles of Macroeconomics

Instructor: Sean Severe
Office: Aliber Hall 311
Office Hours: Monday 11:00AM-12:00PM
Tuesday 10:00AM-11:00AM; 1:30PM-3:30PM
Wednesday 11:00AM-12:00PM
and by appointment
Email: sean.severe@drake.edu (recommended)
Phone: 515.271.4026

COURSE DESCRIPTION

This class focuses on macroeconomics, the study of the overall economy. Instead of focusing on a particular price, we look at the general overall price level. Instead of focusing on the output of a single firm or industry, we look at the total or aggregate output of all the firms in the economy. We look at the economy through two lenses. First, we examine the economy at full employment to gain an understanding of how the economy behaves in the long-run. We ask questions such as what causes growth, or why do prices rise? Second, we study macroeconomic fluctuations, otherwise known as the business cycle. Why do recessions occur? How do they end? Along the way, we will examine the economic role of policy makers in both the monetary and fiscal arenas and international issues as they affect the US economy.

REQUIRED READING

Cappock, Lee and Dirk Mateer. Principles of Macroeconomics. Fourth Edition

LEARNING OBJECTIVES

Upon completion of this class, students:

1. Will have an understanding of macroeconomic terminology, classifications, methods, and trends.
2. Will know the basic theories and models used to understand macroeconomic relationships.
3. Can apply course material to improve thinking, problem solving, and decisions.

EVALUATION

GPA's will be assigned based on your relative performance on the following assignments:

Exam#1:	15%	Monday September 21, 2015 (Week 4)
Exam#2:	15%	Wednesday October 14, 2015 (Week 7)
Exam#3:	15%	Wednesday November 18, 2015 (Week 12)
Final Exam:	15%	Wednesday, December 16, 2015 9:30AM-11:20AM for 7818 Tuesday, December 15 2:00PM-3:50PM for 7819
Homework:	20%	See below for details
Quizzes:	10%	See below for details
Podcast Essays:	10%	See below for details

There are no bonus points in the class; you earn your GPA.

EXAMINATIONS – 60%

Each examination will be graded based on the three learning objectives outlined above. Each test will consist of three sections that correspond to the three learning objectives. Each section will consist of both multiple choice and short answer.

Evaluation on the examinations will be as follows:

Successfully obtaining an 80% on learning objective 1 will ensure a 'C' grade on the exam. Successfully obtaining at least an 80% on learning objective 1 **AND** at least an 80% on learning objective 2 will ensure a 'B' grade on the exam. Successfully obtaining at least an 80% on all three sections will ensure an 'A' grade on the exam. Earning an 80% on a latter section without earning an 80% on previous sections (i.e. Getting an 80% on objective 2 while failing to earn an 80% on objective 1) will result in at least a 'C' grade; higher grades may be given at the instructor's discretion. Failure to earn an 80% on any section will result in either a 'D' or 'F' letter grade. Finally, the highest grade will be taken in the scenario that the percentage grade is higher than the tiered grade (i.e. earning a 'D' grade under the tiered system but earning *at least* a 70% of the total points).

HOMEWORK – 20%

Homework assignments are to be taken via Blackboard. **Homework assignments will become available on Thursday the week before they are due. All assignments are due Monday by 8:00AM;** at which point the link on Blackboard will disappear. Each homework will count 3.33% towards your final GPA. Homework GPAs are calculated as follows: **89.5%-100%=4.0, 79.5%-89.49%=3.0, 69.5%-79.49%=3.0, 59.5%-69.49%=1.0, 0.00%-59.49%=0.0.** Homework sets are due the following days:

Homework 1 Monday, September 14, 2015 (Week 3)

Homework 2 Monday, September 21, 2015 (Week 4)

Homework 3 Monday, October 12, 2015 (Week 7)

Homework 4 Monday, November 2, 2015 (Week 10)

Homework 5 Monday, November 16, 2015 (Week 12)

Homework 6 Monday, November 30, 2015 (Week 14)

QUIZZES – 10%

Random quizzes will be assigned based either on material covered in the previous class, or material covered in an assigned video. If you have attended the lecture and/or watched the video, you should easily receive full credit. However, these quizzes will be challenging if you have failed to attend class or watch the video. I will announce the quiz at the beginning of the class and they will begin immediately after the announcement. Failure to come to class on time will result in a failure unless you have notified me of your absence/ tardiness before the quiz began. Quizzes will be based on a GPA scale and the average of these quizzes will be worth 10% of your final GPA.

PODCAST ESSAYS – 10%

You will write a total of three 2-3 paragraph essays based on the podcast “Planet Money” from NPR. For each podcast, I will provide 3 options for you to choose. You will listen to one or more and write an essay for only one of them. Give an overview of the podcast in the first paragraph and relate the podcast to what you have learned in class or about economics in the second paragraph. The average of the three essays will constitute 10% of your final GPA. You can access the podcast two ways: First, you can subscribe to Planet Money through iTunes. Second, you can listen to the podcasts online at <http://www.npr.org/templates/archives/archive.php?thingId=127413729> by scrolling down or by using the search box at the top right of the screen. Essays are due the beginning of class via printed (typed) hardcopy; I will not accept emails or late copies. I also will not accept excuses that the printer was jammed the morning the essays were due. You will choose 1 from each group of three below and they are due on:

Wednesday, September 16, 2015 (Week 3):

[568: How Stuff Gets Cheaper](#)

[205: Allowance, Taxes and Potty Training](#)

[472: The One-Page Plan to fix Global Warming](#)

Wednesday, October 21, 2015 (Week 8):

[536: The Future of Work Looks like A UPS Truck](#)

[222: The Price of Lettuce in Brooklyn](#)

[436: If Economists Controlled the Borders](#)

Monday, November 23, 2015 (Week 13):

[Why Everybody Who Doesn't Hate Bitcoin Loves It](#)

[Parking is Hell](#)

[Hey Baby, Is that a Prius You're Driving?](#)

CLASS FACTOIDS

- Lectures will be approximately 2/3 online, and 1/3 in the classroom. I will announce videos to watch at https://www.youtube.com/playlist?list=PLS47_ZtbFqcJKYJ-Dbmhg1LkZH7WXJX9t for the next lecture. Then we will have discussion/ problem solving time instead of lecture time. This is to the benefit of both you, the student, and me, the instructor.
- There will be no class **Monday, September 7, Monday, October 19, and Wednesday, November 25** due to Memorial Day, Fall Break, and Thanksgiving Break, respectively. I will also be out of the country on **Wednesday, September 9**; there will be no class lecture but you will be assigned a YouTube lecture.
- There are NO make-up exams. If you have a verifiable emergency, you must contact me ASAP so we can discuss possible alternatives. YOU ABSOLUTELY MUST ATTEND THE FINAL.
- Cheating is taken very seriously. If caught cheating, you will fail the assignment, possibly fail the class, and the University will get a recommendation to dismiss you from Drake University, as outlined in the [Academic Dishonesty Policy](#) in the [Student Handbook](#).
- You will need a non-programmable/ non-graphing calculator for the class. Electronic dictionaries/ translators are not permitted during tests/quizzes. Nor are graphing/ programmable/ cell phone calculators permitted under any circumstances. If caught with a banned device, it will be assumed that you have programmed that device to cheat on the exam, and you will receive an "F" for the exam.
- “Like” our Facebook page at <http://www.facebook.com/DrakeEconomics1> for extra economics awesomeness. Use it to discuss economics by adding relevant videos, articles, or posts. I want this to be an open forum for discussion; in no way will it influence your grade in the class.
- I reserve the right to deduct .02 from your GPA for every email I receive asking a question that is covered on this syllabus.
- Your letter grade will be based upon your weighted GPA from the class. Your GPA is calculated as follows:
Total GPA=.15(Exam 1 + Exam 2 + Exam 3 + Final Exam) + .03333(HW1+HW2+HW3+HW4+HW5+HW6)
+.1(Podcast Avg.) +.1(Quiz Average) - .02(# Deductions)

COURSE OUTLINE

Introduction

- 1) The Five Foundations of Economics
- 2) Model Building and Gains from Trade
- 3) The Market at Work: Supply and Demand
- 4) Price Controls

Macroeconomic Basics

- 6) Introduction to Macroeconomics and Gross Domestic Product
- 7) Unemployment
- 8) The Price Level and Inflation
- 9) Savings, Interest Rates, and the Market for Loanable Funds

The Long and Short of Macroeconomics

- 11) Economic Growth and the Wealth of Nations
- 12) Growth Theory
- 13) The Aggregate Demand–Aggregate Supply Model
- 14) The Great Recession, the Great Depression, and Great Macroeconomic Debates

Fiscal Policy

- 15) Federal Budgets: The Tools of Fiscal Policy
- 16) Fiscal Policy

Monetary Policy

- 17) Money and the Federal Reserve
- 18) Monetary Policy

Note: The instructor reserves the right to alter the course outline as appropriate.