

Florida International University
Department of Economics
Principles of Macroeconomics (ECO 2013)

Instructor: Swati Sharma

Fall, 2023

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Office Hours: M, W – 11:000 AM – 12:30 PM

Office: Viertes Haus (VH) 136

Class Hours: M, W- 9:30 AM – 10:45 AM

Classroom: Deuxieme Mason (DM) 190

Course Description and Purpose

What is Macroeconomics? Macroeconomics is the study of large-scale economic issues such as those which affect the entire economy. Why study Principles of Macroeconomics? It is a highly practical discipline that directly impact almost every area of life. The macro economy affects employment, government welfare, the availability of goods and services, the way nations interact with one another, the price of food in the shops – almost everything.

This course provides an examination of aggregate economic activity. It includes a study of aggregate supply and demand, the monetary and banking systems, aggregate economic accounting, inflation, unemployment, the business cycle, macroeconomic policy, and economic progress and stability, among other things. The knowledge gained in this course will make students better informed citizens and allow them to follow the debates over national economic policy reported in the news media.

Learning Outcomes and Objectives

There are four units in this class: Introduction, Macroeconomic Foundations, Short-Run Fluctuations, and Monetary and Fiscal Policy.

Upon successful completion of the course, the student should be able to describe the following:

- Explain the role of scarcity, specialization, and cost-benefit analysis in economic decision-making.
- Analyze how buyers and sellers interact in a free and competitive market to determine the prices and quantities of a good.
- Identify the determinants of supply and demand; demonstrate the impact of shifts in supply and demand curves on equilibrium price and output.

- Define and measure Gross Domestic Product (GDP), National Income, and unemployment and inflation rates.
- Describe and analyze the sources of economic growth.
- Explain Keynesian economics using the Income-Expenditure Model.
- Construct the aggregate demand and aggregate supply model of the macroeconomy. and use it to illustrate macroeconomic problems and potential monetary and fiscal policy solutions.
- Define money and the money supply; describe the process of money creation by the banking system and the role of the central bank.

Required Materials

- Hubbard, R. Gleen and O'Brien, Anthony Patrick; My Lab with Pearson e-text- Instant Access- for Macroeconomics (8th Edition, ISBN-13: 9780135801932)
- MyLab Economics Access (Course Website: [Pearson](#))
- Note: On-line access to the full text of *Macroeconomics* is included with purchase of MyLab Economics access, so students are not obligated to buy a physical copy of the textbook. All weekly homework and quizzes will be distributed and grade through MyLab Economics, so you cannot pass this course without MyLab Economics class.

Registering for MyLab Economics Access

Follow the steps mentioned on MyLab Economics Access- Webpage, using the instructor 's course ID. Online access to the e-text and MyLab Economics can be accessed through: Pearson. If you need additional guidance, consult the support site, especially the system requirements which list recommended browsers. If you have problems registering, purchasing, or logging in, please contact Customer Support. Pearson Support is available to assist you on the phone, through email, or with on-line chat.

- Email services are available 24 hours a day, 7 days a week.
- Chat services are available Monday through Thursday (8:00 am- 12:00 am) and Friday (8:00 am- 10:00 pm)

Course Structure

Class Structure

- The class is meeting face-to-face twice a week for 1 hour and 15 minutes.

- Class Discussions are an important component of your final grade. Actively talking and thinking about economics may be the most important element to further your economic intuition.
- Attendance will be taken at the end of each class and will contribute towards the final grade.
- Students are allowed to miss three classes without penalty toward their grades. For every additional absence, the student will lose one percentage point from their final grade.
- Being tardy will count as half an absence. Students who come to class more than 30 minutes late will be counted as absent. Students who leave more than 15 minutes early from class will be counted as absent.
- Students who are on their phones during the lecture or sleeping will be marked as absent. All weekly homework will be distributed and graded through MyLab. The two lowest online homework assignment scores will be dropped.
- Exams are going to be composed of multiple-choice questions. To succeed in each exam, you need to have a solid understanding of the current and previous material.
- **Extra credit assignments** will not be given on an individual basis, **so do not ask**. If and when extra credit is given, the entire class will have the opportunity to get it. Usually, extra credit opportunities are available during the class. You may miss the extra credit opportunity if you do not attend class.
- If you have any questions or concerns about your grade, please contact me immediately. You should be proactive about your grades, and not wait until the last minute.

Homework

- Homework consists of 20-40 questions from each chapter. Homework will be assigned at the end of every chapter and must be completed by the due date and time which are posted on MyLab. You have **TWO** attempts to complete the homework assignment, in which the score will count as the recorded grade.
- Make sure to save and submit the assignment once you have completed it. Homework assignments will not be reopened after the due date.
- Two of your lowest homework scores will be dropped. In case you do miss an assignment, it will count as your lowest assignment, and it will be dropped.

- Since the homework assignments are online, they are open-book and open-notes. However, a full understanding of the material will be needed to answer all the questions. Correct answers will be released after the due date.

Exams

- There are three exams in total: 2 Midterms and 1 final exam. All exams are hard-copied exams taken in class.
- **Make-up exams:** You are required to take all the exams at the scheduled time unless you have a university-sanctioned schedule conflict or a well-documented emergency. If you think you have a schedule conflict, please notify the instructor at least two weeks before the exam. All such situations will be dealt on an individual basis.

Grading Policy

Incomplete grade Policy Statement

A student who is passing a course but has not completed all work due to exceptional circumstances, may, with consent of the instructor, temporarily receive a grade of incomplete (“I”). The assignment of the “I” grade is at the discretion of the instructor but is allowed only if the student has a grade of at least a “C” and has completed at least 75% of the course.

Grade Calculation

The grade will be calculated using the following proportions:

- 70% of your grade will be determined by in class exams
- 25% of your grade will be determined by homework
- 5% of your grade will be determined by class participation/attendance.

$$\text{Final Grade} = (\text{Midterm 1} * 0.20) + (\text{Midterm 2} * 0.20) + (\text{Homework Average} * 0.25) + (\text{Final Exam} * 0.30) + (\text{Participation} * 0.05)$$

If your final exam is a higher score than any of your three previous exams then your final grade will be calculated as follows:

$$\text{Final Grade} = (\text{Average of Two Highest Exam Scores} * 0.4) + (\text{Homework Average} * 0.25) \\ + \\ + (\text{Participation} * 0.05) + (\text{Final Exam} * 0.30)$$

Grading Scheme

Letter	Range	Letter	Range	Letter	Range
A	90.00 or above	B	75.00- 79.99%	C	60.00- 64.99%
A-	85.00-89.99%	B-	70.00- 74.99%	D	55.00- 59.99%
B+	80.00-84.99%	C+	65.00- 69.99%	F	54.99 or less

Weekly schedule

The schedule is tentative and subject to change. Midterm exam 1 will test on the material that was taught up until the exam date, while Midterm 2 and Final exam will be cumulative. Homework and quizzes in the second half of the semester tend to build on the concepts in the first half of the semester, so it is important to at least review those concepts throughout the semester.

Week	Date	Section	HWs due
1	August 24, 2021 August 26, 2021	Course Introduction Chapter 1: Economics, Foundations and Models	
2	August 31, 2021 September 2, 2021	Chapter 1: Economics, Foundations and Models Chapter 2: Trade-offs, Comparative Advantage, and the Market System	HW CHP-1 DUE 09/05
3	September 7, 2021 September 9, 2021	Chapter 2: Trade-offs, Comparative Advantage, and the Market System CHP-2 Quiz discussion	HW CHP-2 DUE 09/12
4	September 14, 2021 September 16, 2021	Chapter 3: Where Prices come from: The interaction of Demand and Supply Chapter 3: Where Prices come from: The interaction of Demand and Supply	HW CHP-3 DUE 09/20
5	September 21, 2021 September 23, 2021	MIDTERM EXAM-1 Chapter 8: GDP: Measuring Total Production and Income	

6	September 28, 2021 September 30, 2021	Chapter 8: GDP: Measuring Total Production and Income Chapter 9: Unemployment and Inflation	HW CHP-8 DUE 10/03
7	October 5, 2021 October 7, 2021	Chapter 9: Unemployment and Inflation Chapter 10: Economic Growth, The Financial System, and Business Cycles	HW CHP-9 DUE 10/10
8	October 12, 2021 October 14, 2021	Chapter 10: Economic Growth, The Financial System, and Business Cycles Chapter 12: Aggregate Expenditure and output in short run	HW CHP-10 DUE 10/18
9	October 19, 2021 October 21, 2021	MIDTERM EXAM - 2 Chapter 12: Aggregate Expenditure and output in short run	
10	October 26, 2021 October 28, 2021	Chapter 12: Aggregate Expenditure and output in short run Chapter 13: Aggregate Demand and Aggregate Supply Analysis	HW CHP-12 DUE 10/31
11	November 2, 2021 November 4, 2021	Chapter 13: Aggregate Demand and Aggregate Supply Analysis Chapter 14: Money, Banks, and the Federal Reserve system	HW CHP-13 DUE 11/07
12	November 9, 2021 November 11, 2021	Chapter 14: Money, Banks, and the Federal Reserve system No Class: Veteran's Day	HW CHP-14 DUE 11/21
13	November 16, 2021 November 18, 2021	Chapter 15: Monetary Policy Chapter 15: Monetary Policy	HW CHP-15 DUE 11/28
14	November 23, 2021 November 25, 2021	Chapter 16: Fiscal Policy No Class: Thanksgiving Day	
15	November 30, 2021 December 2, 2021	Chapter 16: Fiscal Policy Chapter 16: Fiscal Policy	HW CHP 16 DUE 12/05
16	Finals Exam Week	December 7, 2021	

Please note: The syllabus is tentative and subject to change at the instructor's discretion

Key Dates

Classes start	Monday, August 23, 2021
Last day to add/drop	Monday, August 30, 2021
Last day to drop with DR grade	Monday, November 1, 2021
Veterans' Day observed (No classes)	Thursday, November 11, 2021
Thanksgiving Holiday	Thursday, November 25, 2021

Thanksgiving break (No classes)
Last regular class day
Finals Week
End of term
Grade available to students

Friday-Saturday, November 26-27, 2021
Saturday, December 4, 2021
Monday-Saturday, December 6-11, 2021
Saturday, December 11, 2021
Thursday, December 16, 2021

Sources of Additional Macroeconomics Information

- Economics tutor center. The Economics Department has provided a classroom designed to assist students enrolled in various economics courses. The Tutoring Center is in VH 136 and is open Monday- Friday from 9:00 AM- 5:00 PM. Economics Ph.D. students are available during these times to help with any questions you may have.
- [Greg Mankiw 's Blog](#)
- [The Economist](#)
 - Free with Miami Dade Library Card [Miami Dade Library Card](#)
- [The New York Times](#)
 - Activate your free access to [NYTimes](#)
- [The Wall Street Journal](#)
 - Activate your free access to [WSJ](#)
- [Mark Thomas' Blog](#)
- [NPR Podcast- Planet Money](#)

Course Policies

Attendance Policy

Class attendance is required for all scheduled class lectures. However, you can miss classes (as stated in University Guidelines) if you have Covid-19 symptoms or were in contact with someone who tested positive for Covid-19. In case you miss a class, please send me an email. Make sure to adhere to all the health safety protocols issued by the university.

Class attendance is required for all scheduled class lectures. Invariably, students who miss classes fall to the bottom of the grading ladder. Reading the textbook is a complement to the lectures, not a perfect substitute for missing classroom lectures. The lectures may deviate from the textbook, and you can only be aware of the appropriate material if you attend the class. Some material in the textbook may be skipped in the lectures, while other material may be studied in more detail than is presented in the textbook. I will give examples, make clarifications, answer questions, and offer interpretations that may not be found in the textbook. Announcements concerning which material

in the textbook will be emphasized or ignored will be made in class. Students are responsible for all announcements made in class. Students are also responsible for all subsequent changes in the syllabus that are announced. Missing a lecture is no excuse.

Note: The University may administratively drop you from the course if there is no verified record of your attendance during the first two weeks of classes.

Policies on Late Assignments

Late assignments will not be accepted and under no circumstances will make-up homework be allowed. A student who fails to complete the homework before the due date will receive a grade of "0" for the respective assignment or quiz. Deadlines are strictly enforced and detailed on MyLab Economics and Canvas. Please be mindful of these dates, as they will not change.

Technology policy

I have a no laptop or cell phone policy. You may choose to use a tablet to take notes but no typing. I find that although there are merits to taking notes on these devices they can cause a distraction, sometimes even distracting those around you. Additionally, because my goal is to promote long-term retention of this material this is best done through taking notes with a paper and pencil.

Email policy

Please use Canvas to send a message if you have any questions or concerns. Please use common courtesy when sending messages. Please allow 48 business hours for a response. Messages will be checked periodically Monday-Friday from 9:00 AM – 5:00 PM. Messages will not be checked on the weekends.

Classroom etiquette

- Arrive on time.
- No food or beverages except for water.
- Please silence cell phones during class.
- If you need to use your cell phone for any non-academic purposes during class (i.e., social media, texting, checking voicemails, phone calls, etc.) please step outside the classroom.

Exam etiquette

This is a large class and I have to proctor this exam on my own. I ask you to adhere to a few rules on exam days.

- You cannot leave the class once the exam has started unless you are finished. Once you leave the classroom you will have to turn in your exam. Please use the bathroom before coming to class.
- No calculators or wireless devices are allowed on the exam.
- Please remove smartwatches.

Academic Integrity and Honesty

Students are required to comply with the F.I.U. university policy on academic integrity found in the [Academic Misconduct](#). Cheating in exams, homework, or any other assignment will not be tolerated. Students found cheating on an exam you will be given a score of “0” on the exam and you the zero will not be replaced with the final exam grade.

Accommodations for Disabilities

Reasonable accommodations will be made for students with verifiable disabilities. In order to take advantage of available accommodations, students must register at [Disability Services Office](#).

Discrimination based on race, color, religion, creed, sex, national origin, age, disability, veteran status, or sexual orientation is a violation of state and federal law and/or Florida International University policy and will not be tolerated.