

**ECONOMICS 102
INTRODUCTORY MACROECONOMICS
SPRING 2010**

Instructor: Elizabeth Sawyer Kelly
Office: 7416 Social Science
Office Phone: 608-262-8829
Office Hours: Before and after class and by appointment
E-mail: eskelly@wisc.edu
Webpage: www.ssc.wisc.edu/~ekelly/econ102

TEXT:

Macroeconomics by Paul Krugman and Robin Wells, Worth Publishers, 2005.

It is also highly recommended that you read current event publications which cover economic events: among these recommended publications are The New York Times, The Wall Street Journal, Business Week, The Financial Times, Barron's, and The Economist.

OVERVIEW:

Economics is the study of the production, allocation, and distribution of goods and services in a world where resources are scarce. In this course we will explore some basic concepts: the macroeconomic problems of unemployment, inflation, and sluggish economic growth. We will also consider the monetary and fiscal policies available to the government to alter the prevailing economic situation. The course will also examine the role of government, government expenditures and revenues, the Federal Reserve System, and the creation of money.

COURSE STRUCTURE AND GRADING POLICY:

Lectures:

There are two lectures and a discussion section each week. Students are expected to have completed the reading prior to lecture. Attendance is not mandatory at the lectures, but exams will focus primarily on material presented in lecture. A second reading of the textbook after the lecture will greatly enhance your understanding of the ideas being presented.

Discussion Sections:

Attendance at discussion sections is highly recommended. Your Teaching Assistants will take attendance at each meeting. Discussion sections provide an opportunity to ask questions, go over problems from the web page, and generally reinforce material that has been presented in lecture. Your T.A. will be available during the discussion section and during office hours to answer your questions. In addition to attending the discussion section that you are enrolled in, you are also welcome to attend other discussion sections. We will make available a list of all T.A.s, their discussion sections, and the times and locations for these discussion sections.

Study Guide:

There is a study guide available to accompany the textbook. This study guide reviews and reinforces the basic material presented in each chapter. It provides a sound base to build upon for the lecture material. Students that need reinforcement for this material will find it helpful to do the problems in the study guide.

Website:

There is a course website at www.ssc.wisc.edu/~ekelly/econ102. This website provides a wealth of material: e.g., information about exams, announcements about the class, old practice questions and homeworks (with answers), old exams, and information about TAs. Please take advantage of this website as a study guide.

GRADES:

There will be two midterms, five homeworks and a comprehensive final. The midterms will be on

Wednesday, February 24, 2010

Monday, April 12, 2010

The midterms will be held in class: students should plan to arrive fifteen minutes early on these dates to their assigned classroom in order that the full class hour is available to them for the exam. Students arriving late will not receive compensating time: all exams must be turned in to the proctor at the end of the class hour.

Midterms are mandatory: students missing midterms will receive a grade of zero for that exam unless they provide documentation of illness. **The midterm exam format will be announced in class prior to the exam.**

There will be a mandatory comprehensive final exam on

Thursday, May 13, 2010 at 7:45 a.m.

The final exam format will be announced in class prior to the exam.

The weight of the exams will be

First Midterm	30%
Second Midterm	30%
Final	30%
Homeworks	10%

All exams are required.

Students can anticipate that grades will fall roughly along the following distribution:

A:	15% of the class
AB:	18% of the class
B:	20% of the class
BC:	20% of the class
C:	18% of the class
D and F:	9% of the class

LOW GRADES ON MIDTERMS WILL NOT BE DROPPED; ONCE YOU TAKE A TEST THE GRADE YOU RECEIVED STAYS ON YOUR RECORD.

THERE IS NO EXTRA CREDIT IN THIS COURSE.

THERE WILL BE NO MAKE-UP EXAMS TO REPLACE MIDTERMS THAT HAVE BEEN MISSED.

IMPORTANT DATES:

2/3/10	Homework #1 Due in Class
2/17/10	Homework #2 Due in Class
2/24/10	FIRST MIDTERM IN CLASS
3/17/10	Homework #3 Due in Class
4/7/10	Homework #4 Due in Class
4/12/10	SECOND MIDTERM IN CLASS

4/28/10
5/13/10

Homework #5 Due in Class
FINAL EXAM AT 7:45 a.m.

PROFESSOR KELLY'S EXPECTATIONS FOR HER STUDENTS:

1. Attend all lectures, take notes, and stay awake and alert.
2. Attend discussion section each week. Prior to going to discussion identify any problem areas from the lecture and be prepared with questions for your TA.
3. Do practice questions and problems as they are made available. Seek help from fellow students or your TA if you are having trouble. Realize that an inability to do these practice questions and problems with facility suggests you do not understand the material and if you do not remedy the situation your grade on the midterm will suffer.
4. Do reading before the lecture. Take reading notes (notetaking is superior to highlighting).
5. Do reading again after the lecture. Take reading notes (yes, again).
6. Do study guide questions and for those that are troublesome to you, seek help from your TA during discussion section.
7. Students failing to achieve an average of 50% for all graded material should not expect to pass this class.
8. There are no graduating seniors. There are seniors who take the class, but they are graduating seniors only after they successfully complete all their required coursework at the University.
9. Students should keep a datebook and have all test dates and review sessions recorded in this notebook.
10. Students struggling with material should see their T.A.s during the T.A.'s office hours.
11. Students with questions about their grades should see Professor Kelly.
12. No student should expect extra credit or special consideration beyond that offered due to a student's status as a McBurney Student.
13. Students struggling with the material or with weak math backgrounds should take advantage of tutoring services offered by The Learning Center at Grainger Hall, ESA, or GUTTS.

Students who come to see me will be asked about each of these expectations in turn. My belief is that for most students to succeed in this course they must follow the above guidelines.

READING LIST

The following dates and assignments are advisory: Professor Kelly reserves the right to adjust the dates and the assignments as needed. Please pay attention to announcements in class about any reading assignment changes.

DATE	DAY	TOPIC	READING
1/20/10	W	Introduction: PPFs, Absolute and Comparative Advantage	Chapters 1 and 2, Mathematical Appendix at end of Chapter 2
1/25/10	M	PPFs, Absolute and Comparative Advantage	
1/27/10	W	PPFs, Absolute and Comparative Advantage Homework #1 Out	
2/1/10	M	Review of Supply and Demand	Chapters 3, 4, 5 and Appendix to Chapter 5
2/3/10	W	Review of Supply and Demand Homework #1 Due	
2/8/10	M	GDP Accounting, Employment and Inflation	Chapters 6, 7 and 8
2/10/10	W	GDP Accounting, Employment and Inflation Homework #2 Out	
2/15/10	M	GDP Accounting, Employment and Inflation	
2/17/10	W	Long-Run Economic Growth Homework #2 Due	Chapter 9
2/22/10	M	Long-Run Economic Growth	
2/24/10	W	FIRST MIDTERM	Covers all assigned readings: Chapters 1-9, and the appendix to Chapter 2
3/1/10	M	Classical Long-Run Model: Aggregate Supply and Aggregate Demand	Chapter 10
3/3/10	W	Classical Long-Run Model: Aggregate Supply and Aggregate Demand	
3/8/10	M	Classical Long-Run Model: Aggregate Supply and Aggregate Demand	
3/10/10	W	Classical Long-Run Model: Aggregate Supply and Aggregate Demand	Chapters 11, 12, 13 and the appendix to Chapter 13 (optional Chapter 18)

		Homework #3 Out	
3/15/10	M	Short-Run Keynesian Model: Booms and Recessions	
3/17/10	W	Short-Run Keynesian Model: Booms and Recessions	
		Homework #3 Due	
3/22/10	M	Short-Run Keynesian Model: Booms and Recessions	
3/24/10	W	Short-Run Keynesian Model: Booms and Recessions	
		Homework #4 Out	
4/5/10	M	Short-Run Keynesian Model: Booms and Recessions	
4/7/10	W	Short-Run Keynesian Model: Booms and Recessions	
		Homework #4 Due	
4/12/10	M	SECOND MIDTERM	Midterm is cumulative: but, focuses on Chapters 10 through 13, plus the appendix to Chapter 13
4/14/10	W	Banking System and the Money Supply	Chapter 14
4/19/10	M	Banking System and the Money Supply	
4/21/10	W	Monetary Policy	Chapter 15 and Appendix to Chapter 15
		Homework #5 Out	
4/26/10	M	Inflation, Disinflation and Deflation	Chapter 16
4/28/10	W	Inflation, Disinflation and Deflation	
		Homework #5 Due	
5/3/10	M	Modern Macroeconomics	Chapter 17
5/5/10	W	Modern Macroeconomics	
5/13/10	TH	FINAL EXAM AT 7:45 A.M.	Comprehensive, covers all chapters and appendices assigned in Krugman/Wells text

ACADEMIC MISCONDUCT:

“Society depends upon some minimal level of integrity in our graduates, not just upon their academic knowledge or skills.”

- Gary Pavela, founding member of The Center for Academic Integrity

Academic misconduct is a vital issue concerning all members of the University community. Those who engage in academic misconduct, and those who ignore it when they become aware of it, threaten the integrity of the University and of the educational process.

As a UW-Madison student, you have the right to expect that you and other students will be graded fairly, and you have rights of due process should you be accused of misconduct. You also have an obligation to conduct your academic work with honesty and integrity according to University standards. Therefore, it is important that you:

- Become familiar with the rules of academic misconduct.
- Ask your instructor if you are unsure what behaviors constitute academic misconduct in a specific class or assignment (for example, how to cite from the web or whether to work with another student on an assignment).
- Let your instructors know if you think you see incidents of misconduct.
- Be aware that helping someone else to cheat is a violation of the rules and may result in misconduct charges against you.