Course Syllabus and Outline

Economics 102, Section 1, Summer Semester 2003

Instructor: Rupayan Gupta


Course Description: This course is an eight-week introduction to macroeconomic issues. The main objectives of this course are to analyze the basic principles of aggregate economic activity, and examine methods through which such activity might be controlled. We shall survey theoretical models in this course that will develop our understanding in this regard. We will be especially interested in using these models to study the effects of economic policy tools used by the government (both fiscal and monetary) on aggregate activity.

Prerequisite: Prior completion of Economics 101 (Principles of Microeconomics) is strongly recommended.


Limited copies of both the textbook and study guide will be available on two-hour loans on weekdays and over weekends from the Economics/Sociology Reading Room (3rd floor, Heady Hall).

Required Resource: Subscription to Aplia.com. This is the website of Aplia, a company created by the noted economist Prof. Paul Romer of Stanford University. There is a registration fee of $10 for this site. Please see the handout included with this syllabus for registration details. This is a high impact resource that will help improve your understanding of the topics being discussed in class, as well as aid you in preparing for in-class activities. I will be using materials from this site in my lectures from time to time, which will require your having access to those materials.

Other Available Resources: Parkin’s website ([www.economicsplace.com](http://www.economicsplace.com)).

Grade Determination: Homework assignments (weight: 40%), Exams (mid-term 1 = 15%, mid-term 2 = 15%, final exam = 15%, total weight on exams = 45%), In-class activities, to be announced later (weight: 15%).

General Comments: Class attendance is not required (except during special days which will be announced a week in advance), though strongly encouraged. Please check the course website regularly for announcements and homework assignments. If you are
absent from class and miss important announcements, please note that it is your responsibility to find out about them. Feel free to make the best use of my office hours and that of the TAs to clarify your doubts. As this is a compact and intense course, missing classes is not a good idea if you want to do well. As the class will progress at a fast pace and the material is interconnected, you will soon lose track if you do not attend class regularly. It is important to take good notes in class as I will stress on certain portions of the textbook and even add to it. Examination questions will have a strong correlation with the material I shall cover in class. Questions from students during the lecture are always welcome, and a good way to clarify doubts regarding the materials being presented in the lecture. Though most often I will answer such questions in-class, if I face a time constraint I might sometimes defer answering the question till after class on a one-to-one basis. I prefer the class to be interactive, and will surely ask students questions during class in order to gauge the impact of my lectures. You are expected to make your best effort at answering these questions, and understand that this effort is an integral part of your learning process. There is no reason to feel ashamed or inadequate if you answer incorrectly, so long as you make a visible effort. Please also understand that I will expect you to be tolerant of the mistakes your classmates might make during this interactive process.

**Homework Policy:** Homework deadlines will be strictly enforced, and late submissions shall be allowed only for valid reasons (documented medical or family emergencies). Always remember to put your name and the last five digits of your University ID on your homework. Staple your homework: the TAs will not be responsible in case pages go missing from an unstapled homework. There will be a homework help session conducted by Haluk Gedikoglu before the due date of each homework. Due to the large weight of homeworks and the grading scheme I will adopt (to be outlined in class), there should be absolutely no collaboration in the writing stage of the homeworks. You may discuss the problems with your classmates before you start writing the answers, but there should be no interaction or consultation during the writing stage. Any suspected violation of this policy will earn a zero on the concerned homework for all concerned persons.

**Make-up Policy:** There will be no make-up exams in case of unexcused absences. Unexcused absences will earn a zero on the concerned exam. Only one make-up exam will be offered per student during the semester for valid excuses (university approved medical or family emergencies). If you miss one exam due to a valid reason, I will re-weight the other exams to make up for it. If you miss two exams for valid reasons, you will have an opportunity to appear in make-up exams no later than two weeks from the date of the final exam. You will need to take at least two exams to get a passing grade on this course.

**Academic Integrity:** The rules of academic integrity will be enforced in this class. Please see the relevant university guidelines in this regard.

**Disability Requirements:** If you have a disability and require accommodations, please contact me early in the semester so that your learning needs may be appropriately met. You will need to provide documentation of your disability to the Disability Resources
(DR) office, located on the main floor of the Student Services Building, Room 1076, 515-294-6624.

**Course Outline** (all chapters below are from Parkin, 6th edition):

- Ch. 1: What is Economics? (Special attention on the sections dealing with macroeconomics).
- Ch. 4: Measuring GDP and Economic Growth (Only sections on measuring GDP).
- Ch. 6: Aggregate Demand and Aggregate Supply.
- Ch. 7: The Economy at Full Employment.
- Ch. 10: Expenditure Multipliers.
- Ch. 11: Fiscal Policy.
- Ch. 12: Money.
- Ch. 13: Monetary Policy.
- Ch. 9: Economic Growth (Brief overview).
- Ch. 14: Inflation (Brief overview).
- Ch. 16: Macroeconomic Policy Challenges.

**Comments:** The above list reflects the order in which the chapters will be first introduced. However, I will leave out certain portions of some chapters at the first instance and revisit them later after other chapters relevant to the understanding of those portions have been covered. For example, parts of chapters 6 and 7 will be covered later during the semester, after chapters 10, 11, 12, and 13 have been completed. I will make it clear in class which parts of a certain chapter we are covering and which we are leaving out at a certain given time, in order to make exam preparations easier for you.