

Fall 2004
EC 111-Section 1: Principles of Macroeconomics
9:00-9:50 M-W-F, Alston 10

Dr. Tao-Chen Yeh
Office: 269 Alston
Office hours: 10:00-11:15 Tuesday, 3:00-4:45 Thursday and by appointment.
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Required Texts

Macroeconomics: Principles and Policy (9th edition) by William J. Baumol and Alan S. Blinder.

Course Website:

<http://www.cba.ua.edu/~tyeh/> Class notes are available at this Website. **These notes are not complete;** you are expected to print them out and bring them to the lecture.

Prerequisite: Economics 110.

Course Description:

Introduction to macroeconomic analysis concentrating on national income, price levels, employment, monetary and fiscal policies, and international macroeconomics.

Course Objective:

By the end of the course, students will have been introduced to the important issues of macroeconomics and to some of the contending theories. One goal is for students to become more critical consumers of information on the economy, whether it is presented by the media, a political campaign or an interest group.

Teaching Method: Lecture with weekly lab.

Examinations:

There are three mid-semester exams and a 2 part final. Part 1 of the final serves as a fourth exam. Part 2 of the final serves as a mandatory make up exam for students who miss a mid-semester exam. It also provides an opportunity for other students to replace a grade on one of the three mid-semester exams (more details on the optional final follow below).

Exam	Date	Time	Location
1	Monday, September 20th	6:30-7:45 PM	Bidgood 110
2	Monday, October 18th	6:30-7:45 PM	Bidgood 110
3	Monday, November 15th	6:30-7:45 PM	Bidgood 110
Final	Thursday, December 16th	8:00-10:30 AM	Alston 10

Note: Exams 1-3 are on Monday evenings. In exchange for these Monday night exams, classes will not be held on the following dates: Friday, September 24th; Friday, October 22nd; Friday, November 19th.

Grading: You will have 4 equally weighted exam grades. Each exam will contain questions worth a total of 110 points. Thus you have the opportunity to earn up to 10 "extra" points on each exam. You can also earn bonus points on your final average based upon class attendance and attendance at weekly lab sessions (see below). Your final average determines your course grade on a scale where 90 or above is an *A* and less than 60 is an *F*. Passing grades are modified within each range so that grades falling within [0,3) receive a '-' and those within [7,10) receive a '+'. For example, 90 is an *A-*, 87 is a *B+* and 82.9 is a *B-*. **EXCEPTION: Students need an average of 100 or more to get an A+.**

Tests will not be curved and grades will be determined in strict accordance with the policy above. I will not entertain needs based appeals of your course grade.

Optional Final / Mandatory Make-up Exam

Part 2 of the final is a mandatory make-up exam for students who miss one of the 3 mid-semester exams for any reason. In addition, other students may take this exam at their option. It will be comprehensive exam, covering material from the first 3 tests. The score on the optional final may be used to replace your lowest score on the 3 mid-semester exams, but this substitution will be made only if you benefit by it. Thus, there is no risk associated with taking the optional final. **All students must take part 1 of the final (exam 4) and the grade on the final part 1 cannot be replaced. The optional final is the only available make up for students who miss a mid-semester exam.**

In the highly unusual circumstance that a student misses more than one of the 3 mid-semester exams, he or she will receive a 0 unless an acceptable and well documented excuse is provided for all exam absences. In this circumstance, the method of making up for the missing test score will be determined at my discretion. Students who miss the final will be excused only if they have a legitimate and well documented excuse. These students must take the deferred final on Wednesday, January 12th at 2:00 PM.

Grading Appeals:

Students have two class periods after an exam is handed back to submit an appeal of the grading of a particular question or questions. After the appeal period expires, the grade is considered final, and cannot be changed. **I will address substantive issues on appeal, but "needs" based appeals will not be entertained.**

Additional Notes:

1. You must bring your student I.D. to all exams.
2. You may not use a cell phone as a calculator on an exam. Conventional calculators are allowed, but are subject to inspection. You may not store text related to the course in your calculator. This will be considered cheating and treated as such.

3. If you are absent on the day that an exam is returned, you may pick it up in Alston, Room 245 in a box labeled with my name and your section number.

Academic Dishonesty Policy: The academic dishonesty policy is as stated in the honor code. There will be multiple versions of all exams and each exam will be closely monitored. Cheating on an exam is a very serious violation of the dishonesty policy and will be treated as such. **If you sign the class (lab) roll for someone else, or have someone sign the class (lab) roll for you, this is considered academic fraud. If you leave right after signing the class (lab) roll, this is considered academic fraud.**

Students with Disabilities: All students with disabilities seeking reasonable accommodation must register with the Office of Disabilities Services (348-4285) within the first week of the semester. Thereafter, you are invited to schedule an appointment with me to discuss reasonable accommodation requests verified by the Office of Disability Services.

Class Attendance Policy:

Attendance is vital to success in this class. Students who miss class regularly should expect to fail the course. Students are responsible for all lecture material, including all in class announcements. Based on your attendance a maximum of 3 points may be awarded as a **bonus** on your final average. The points will be awarded as follows:

Number of absences	Bonus points
0-2	3
3	2
4	1
5 or more	0

Note:

1. Since these are bonus points, there are **no** excused absences for the purpose of this policy.
2. Attendance will be taken by using a seating chart in every class meeting. **Sitting in the same seat is essential for keeping attendance records and is, therefore, required.** I may reassign seats at any time. A seating chart will be established on Friday, August 27th.
3. **To earn bonus points on attendance, students must be in class on time, and must stay in class until the class is dismissed.** Students who arrive late will be marked as absent for the entire class. Students should inform me prior to the class if they need to leave early. Other students who leave early will be marked as absent for the entire class.

Lab Policy:

A weekly lab (Help Session) will be conducted by an Undergraduate Honors Teaching Assistant (TA). All labs except two meet on Monday from 6:30 to 7:30 PM. To accommodate students' unavoidable schedule conflicts, one lab will be offered on Tuesday from 2 to 3 PM and one on Tuesday from 6:30 to 7:30 PM. On the first day of the class (Wednesday, Aug. 25), students may choose a lab time from these three. The purpose of the labs is to provide students an opportunity

to improve their understanding of the course material. The TAs will discuss and review **problems which will be made available to students from the course web site prior to the lab. Students are to attempt these problems prior to attending lab that week.** This will maximize the value of both the practice problems and the lab. Students attending lab may be asked to do problems at the board or discuss their answer to particular problems.

By noon on Monday, August 30th, room assignments for labs will be posted on the Economics, Finance and Legal Studies' bulletin board located in the basement of Alston hall.

Lab attendance is voluntary but students are strongly encouraged to attend. A maximum of 3 points may be awarded as a **bonus** on your final average based on your lab attendance.

Number of absences	Bonus points
0-1	3
2	2
3	1
4 or more	0

Note:

1. Since these are bonus points, there are **no** excused absences for the purpose of this policy.
2. In order to maintain attendance records, students must attend **the same assigned lab** every week. In case of an occasional, unavoidable conflict, students may attend a different lab. To ensure credit for lab attendance, it is the **student's responsibility** to inform both lab instructors about the one-time lab change.
3. Each TAs will hold one weekly office hour starting from August 30th throughout the semester. Office hours are listed at the end of the syllabus. Feel free to attend the office hour of any of the TAs for this class.
4. **The first labs meet on Monday, Aug. 30 and Tuesday, Aug. 31.**

Bonus Point Policy:

You can receive a maximum of six points under the two policies above and a minimum of zero. These are truly bonus points in that a failure to receive points under this policy will not detract from your grade as determined by your test performance. **There are no other opportunities for "extra" points in this class. Other than points awarded under these policies, there will be no rounding. If you need .00001 points for the next higher grade, but are awarded 0 points under this policy, you will not get the next higher grade. For example, after all bonus points have been awarded, a 69.99999 is a D+, rather than a C-.**

A failure to comport with classroom etiquette in either the lecture or the lab can result in a reduction in bonus points awarded down to the minimum of 0.

Classroom Etiquette:

1. No eating/drinking and newspaper reading are allowed during lectures.
2. Latecomers must quietly take their assigned seats. If you do not wish to disturb your fellow classmates, come to the class on time!!
3. Private conversations are not allowed.
4. During the lecture, movement about the classroom should be kept to an absolute minimum.
- 5. All cellular phones must be turned off while you are in class.**

Keys to Success:

1. **Attend every class.** If your target grade for this course is something above an F, then attending class everyday is the most efficient way to achieve your target. If your goal is to fail the course, then not attending class is the most efficient way to achieve your goal. I will incorporate the discussion of current issues into the lecture whenever appropriate. This makes lectures more interesting and also enables students to better understand how the course relates to the real world. On each exam, students will find some questions related to this class discussion. Attending class is the best way for students to prepare for these test questions.
2. **Read the textbook.** It is a very good textbook and this will strongly complement the lecture. Take notes while you read and attempt to reproduce important diagrams on your own.
3. **You learn economics by doing economics.** Do the practice questions and attend the labs. Many of the concepts tested on the lab problems will also be tested on the exams. The online study guide provides an additional source of problems. This can be accessed with the CD that comes with the textbook. Also, last year's exams will be posted on the course website.
4. **This course stresses critical thinking; the key to success is understanding concepts and problems, not memorization.**
5. **Do not fall behind. If you are pulling an "all nighter" to study for an exam, you are doing something wrong.** First, cramming does not promote understanding, and it is very difficult to learn under the pressure of an exam the next day. Second, staying up all night will leave you in a very poor mental condition in which to take the exam. If you keep up with the material, there will be no need to stay up all night studying for the exam.
6. **Come to office hours for help if you need it (and do not wait until right before exams to do so!).** If you cannot make the regular office hours, then schedule an appointment. You may also attend the office hour of any TA associated with this course. When you come to office hours, you are expected to ask questions about the lecture or assigned problems. **Office hours will not serve as a make-up lecture.**

7. **Positive participation in the labs and in the lecture is strongly encouraged.** This includes asking pertinent questions and answering questions posed to the class. Such participation will strongly benefit yourself and your classmates.

8. **Do not throw away points.** If you come to all the labs and all the classes you may receive up to 6 bonus points. This can be the difference between taking the class over again and passing with the required grade. Note that you can lose bonus points if you violate the rules of classroom etiquette.

Outline

Date	Chapter	Topic
August 25	1	Introduction
August 27	1, 2	Scarcity and Choice
August 30	3	Supply and Demand
September 1	4	The Realm of Macroeconomics
September 3	4	Continued
September 6	Labor Day Holiday	
September 8	5	The Goals of Macroeconomic Policy
September 10	5	Continued
September 13	5	Continued
September 15	7	Aggregate Demand and The Powerful Consumer
September 17	7	Continued
EXAM 1, MONDAY EVENING, SEPTEMBER 20TH AT 6:30 PM. CLASS IS HELD DURING THE DAY AS NORMALLY SCHEDULED.		
September 22	7, 8	Demand-Side Equilibrium
September 24	Class canceled in exchange for evening exam on September 20th	
September 27	8	Continued

September 29	8	Continued
October 1	8	Continued
October 4	8	Continued
October 6	8	Continued
October 8	9	Supply-Side Equilibrium
October 11	9	Continued
October 13	9, 10	Managing Aggregate Demand: Fiscal Policy
October 15	10	Continued

EXAM 2, MONDAY EVENING, OCTOBER 18 TH AT 6:30 PM. CLASS IS HELD DURING THE DAY AS NORMALLY SCHEDULED.

October 20	10	Continued
October 22	Class canceled in exchange for evening exam on October 18th	
October 25	11	Money and The Banking System
October 27	11	Continued
October 29	11, 12	Monetary Policy and The National Economy
November 1	12	Continued
November 3	12	Continued

The Last Day to Drop the Class is November 3RD!

November 5	12	Continued
November 8	14	Fiscal Policy, Monetary Policy, and Growth
November 10	14	Continued
November 12	14	Continued

EXAM 3, MONDAY EVENING, NOVEMBER 15 TH AT 6:30 PM. CLASS IS HELD DURING THE DAY AS NORMALLY SCHEDULED.

November 17	15	Inflation and Growth
November 19	Class canceled in exchange for evening exam on November 15	
November 22	15	Continued
November 24	NO CLASS	
November 29	15	Continued
December 1	17	The International Monetary System
December 3	17	Continued
December 6	17	Continued
December 8	17	Continued
December 10		Review

Note: All lecture dates are approximate. The course outline is subject to revision.

A Final Note: By staying in this class, you are agreeing to abide by the rules spelled out in this syllabus. These rules are not negotiable. I will not discuss any renegotiation of the rules, and I will not entertain "needs" based discussions of your grade.

Office Hours of EC 111 Fall 2004

Monday	Tuesday	Wednesday	Thursday
<i>10:45-11:45</i> Rebekah Luzar Bidgood 371	<i>10:00-11:15</i> Dr. Yeh Alston 269	<i>12:30-1:30</i> Elizabeth Callen Bidgood 371	
<i>1:00-2:00</i> Barbara Blaylock Bidgood 371	<i>1:00-2:00</i> Wesley Winborn Bidgood 371	<i>2:15-3:15</i> Deborah Sharpless Bidgood 371	<i>1:00-2:00</i> Trey Abston Bidgood 371
<i>3:30-4:30</i> Quincy Goldsmith Bidgood 123	<i>2:00-3:00</i> Ashley McLeod Bidgood 371	<i>3:30-4:30</i> Cass Brown Bidgood 123	<i>3:00-4:45</i> Dr. Yeh Alston 269

Office hours begin on Monday, August 30th throughout the semester. You are welcome to visit the office hours of any of the TAs not just your own.