ECON 201-L Introduction to Macroeconomics
Spring 2014
University of Washington

Instructor: Dong sup Kim
DEM 112
M-F 12:30-1:20
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ECON 201 is the introductory course in macroeconomics.

Learning Goals

• Understand and be able to use macroeconomic terminology
• Understand the basics of how the economy works in the aggregate level
• Learn how the macroeconomic variables are related
• Learn to read and interpret the empirical information in macroeconomic data, graphical displays, and tables

• Analyze the sources of long-term prosperity and the contributing factors to long term economic growth
• Analyze the causes of short-term economic fluctuations (business cycles) and the mechanism of “fixing” the economy to restore full employment (low unemployment) and low inflation.
• Analyze the emergence and the effects of rising national debt
• Analyze the current international macroeconomic issues and policy debates

Course Material

Required textbook: Principle of Macroeconomics, 7e, 2014, by N. Gregory Mankiw

Grading

Final grade in 4.0 scale will be determined by total scores you obtained from
• Homeworiks: 20%
• Class participation: 5%
• 3 exams: each 25%.

Following the Department of Economics policy, the median grade for this class will be set between 2.8 and 3.1. Grades will thus be curved accordingly.
I reserve the right to take your active participation in the classroom discussion into account in determining final grades.
Homeworks

You will be assigned a weekly problem sets, which mostly are selected questions at the end of each chapter. However, homeworks will often include extra problems and writing assignments. You are encouraged to discuss homeworks with your classmates. However, you should write your answer in your own words and submit it individually. No late homeworks will be accepted.

Each homework will be graded in a simple 2 points scale;
• 2 points – Fully attempted to answer all questions satisfactorily
• 1 point – Attempted to answer most of questions almost satisfactorily
• 0 point – Did not turn in, or did not make an attempt or failed to answer most questions satisfactorily (for example, you answered all questions, but they are mostly wrong or irrelevant)

Class participation

To check your participation and understanding of the material, about twice a week, I will ask a number of questions at the end of lecture. You will submit answers to the questions before you leave the class. Lowest 5 scores will be dropped to account for illness, sports events, interviews, etc.

Exams

The exams are tentatively scheduled as follows;
• Exam 1 (50 mins) – April 25th (F) in class
• Exam 2 (50 mins) – May 16th (F) in class
• Exam 3 (50 mins) – June 12th (Th) 9:30-10:20

Exams consist of a number of multiple choice and short answer questions. Exams are non-cumulative. You may bring a simple four-function calculator in the exam. Cell-phones or graphing calculators are not allowed.

Make-up exams

There is no make-up exam. If you miss the exam 1 or 2, and provide me a verifiable documentation that proves the emergency relevant to your absence from the exam (for example, doctor's note), you will receive an average of other exams. Otherwise, you will receive “0.” If you miss exam 3, and provide me a verifiable documentation that proves the emergency relevant to your absence from the exam, you will receive “incomplete” for your final grade. Otherwise, you will receive “0.” If you miss more than two exams, you will fail with no exceptions.

Academic Honesty

Cheating on the exam, and plagiarism in the homeworks will not be tolerated. You can find the Department of Economics policy on academic honesty on the department website http://econ.washington.edu/undergrad/academic_conduct/. It is your responsibility to read and understand these rules, especially about the rules on examinations and plagiarism.
Tentative Schedule and Readings

Week.1
Introduction, Quick review of microeconomics (Ch.1~9)
Ch.10. Measuring a Nations' Income

Week.2
Ch.11. Measuring the Cost of Living
Ch.12. Production and Growth

Week.3
Ch.13. Savings, Investment, and the Financial System
Ch.14. The Basic Tools of Finance

Week.4
Ch.15. Unemployment
* Exam 1

Week.5
Ch.16. The Monetary System
Ch.17. Money Growth and Inflation

Week.6
Ch.18. Open-Economy Macroeconomics: Basic Concepts
Ch.19. A Macroeconomic Theory of the Open Economy

Week.7
Ch.20. Aggregate Demand and Aggregate Supply
* Exam 2

Week.8
Ch.21. The Influence of Monetary and Fiscal Policy on Aggregate Demand

Week.9
Ch.22. The Short-Run Trade-off between Inflation and Unemployment

Week.10
Ch.23. Six Debates over Macroeconomic Policy