Macroeconomics is the study of the aggregate behavior of households, firms, and the role and scope of government economic policy. In this course we will discuss the basic principles, concepts, and theories of macroeconomics. Students will become familiar with the main mechanisms to raise productivity, national income, and living standards, which are the focus of macroeconomics. We will study how economists analyze economic growth, inflation, unemployment, and international trade. We will discuss aggregate demand and supply and their determinants, and the use of fiscal and monetary policies to achieve desired economic outcomes.

**Course Objectives**

Upon successful completion of the course, students will have a basic understanding of the main economic aggregates and their mutual dependency. Students will be able to make connections between the economic news and the theories and macroeconomic regularities they studied in class. They will be able to distinguish between short-run and long-run economic outcomes. Students will be able to demonstrate knowledge of the basic economic implications of changes in government fiscal or monetary policy and will be able to critically apply economic concepts when participating as economic agents in a market economy and as citizens in a democratic society.

**Textbook and Useful Resources**

The **required textbook** for this course is *Principles of Macroeconomics*, by N. Gregory Mankiw, 7th edition, South-Western Cengage Learning, 2015. This book is available at the Emory bookstore, or you can buy it online.

There is also a companion website for the textbook [www.cengage.com/economics/mankiw](http://www.cengage.com/economics/mankiw). This site provides tests, problems, applications, quizzes, power point slides, and other useful materials that help students understand important concepts and models covered in this course.

The lectures will follow Mankiw’s textbook and, for certain topics, will incorporate material from other sources such as the economic press (The Wall Street Journal, The Economist, and others), current economic news, and data from economic organizations and institutions (listed below).

**Continuous class attendance is strongly recommended for successful understanding of the full scope of course material.**
Lecture Notes/Slides
Lecture notes/slides and additional reading material (if required) will be posted on the course website on Emory's new Canvas learning management system. There will be an announcement of each new posting on the site. The notes/slides are organized by the topics listed in the course outline below and, generally, follow the chapters in Mankiw's textbook.

Course Evaluation
There are three exams in this course: two midterms, on dates specified below, and a final, which is on a date set by the university. The final exam is cumulative. There will be two problem sets during the semester. The problem sets will utilize and expand on the concepts introduced in class and will present a useful exercise in preparation for the exams since their format and questions/problems will be similar to what you will be given at the exams. The problem sets will be due one week after they are given/posted on the course website. No late submissions will be accepted. In addition, there will be 10 quizzes given in class on random dates. Each quiz will take 15 minutes at the beginning of the class. The quizzes are one way to account for, and reward, continuous class attendance.

Grading
<table>
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<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Quizzes</td>
<td>10%</td>
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<tr>
<td>Problem Sets</td>
<td>10%</td>
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<tr>
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<tr>
<td>Midterm II</td>
<td>20%</td>
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<tr>
<td>Final</td>
<td>40%</td>
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Exams
<table>
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<tr>
<th>Exam</th>
<th>Date</th>
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<tbody>
<tr>
<td>Midterm I</td>
<td>In class, on September 27</td>
</tr>
<tr>
<td>Midterm II</td>
<td>In class, on October 25</td>
</tr>
<tr>
<td>Final</td>
<td>In class, on Monday, December 12, 3:00 – 5:30 pm</td>
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If there is any conflict with any of the midterm exams, you should let me know as soon as possible. No makeup exams will be given for any reason. If you have a valid reason for being absent at any of the midterms, you will be permitted to assign a higher weight to the other midterm and the final exam.

Grades will be assigned according to the following distribution:

<table>
<thead>
<tr>
<th>Numerical Value</th>
<th>Grade</th>
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<tbody>
<tr>
<td>93% and above</td>
<td>A</td>
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<tr>
<td>90% - 92%</td>
<td>A-</td>
</tr>
<tr>
<td>86% - 89%</td>
<td>B+</td>
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<tr>
<td>83% - 85%</td>
<td>B</td>
</tr>
<tr>
<td>80% - 82%</td>
<td>B-</td>
</tr>
<tr>
<td>76% - 79%</td>
<td>C+</td>
</tr>
<tr>
<td>73% - 75%</td>
<td>C</td>
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<tr>
<td>70% - 72%</td>
<td>C-</td>
</tr>
<tr>
<td>66% - 69%</td>
<td>D+</td>
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<tr>
<td>63% - 65%</td>
<td>D</td>
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<tr>
<td>60% - 62%</td>
<td>D-</td>
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<tr>
<td>Less than 60%</td>
<td>F</td>
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</table>
Course Outline
Please note that the dates for the topics presented in the course outline below are tentative and subject to change. The outline enlists textbook chapters and, in few cases, other required readings for each topic. **These readings will be helpful in answering questions in the exams.** Note that new readings (related to the most current issues in the economy) may be added to accompany the textbook chapters. This will be announced in class and on the course web site before the week of the topic coverage.

I strongly encourage students to ask any questions that they may have regarding the organization of the course material, lectures, slides, and the course outline well in advance of the exams.

**Week 1 (Aug. 25)**
*Introduction; Principles of Macroeconomics*
- Presentation of the syllabus, objectives of the course, and the course requirements
- Introduction to the course content, important concepts and principles of macroeconomics

Readings Mankiw, Chapter 1

**Week 2 (Aug. 30)**
*Principles of Economics*

Readings Mankiw, Chapter 1

**Week 2 (Sept. 1)**
*Economics as a Science.*
*Interdependence and the Gains from Trade*

Readings Mankiw, Chapters 2 and 3

**Week 3 (Sept. 6, 8)**
*GDP and Its Components: Measuring National Income*

Readings Mankiw, Chapter 10
*The Trouble with GDP*, The Economist, April 30th, 2016

**Week 4 (Sept. 13, 15)**
*Price level, Price Indices, Inflation: Measuring the Cost of Living*

Readings Mankiw, Chapter 11
[https://fred.stlouisfed.org/](https://fred.stlouisfed.org/)

**Problem Set 1** will be given when the topics of **Week 4** have been covered.

**Week 5 (Sept. 20, 22)**
*Economic Growth; Productivity and Its Determinants.*

Readings Mankiw, Chapter 12

**Week 6** September 27 - Midterm Exam I
**Week 6 (Sept. 29)**
Saving, Investment, National Income Accounts, and the Financial System
Readings Mankiw, Chapter 13

**Week 7 (Oct. 4, 6)**
Unemployment
Readings Mankiw, Chapter 15

**Week 8 (Oct. 13)**
The Monetary System
Readings Mankiw, Chapter 16

**Week 9 (Oct. 18, 20)**
Money Growth and Inflation
Readings Mankiw, Chapter 17

**Week 10** October 25 - Midterm Exam II

**Weeks 10 and 11 (Oct. 27, Nov. 1, 3)**
Aggregate Demand and Aggregate Supply
Readings Mankiw, Chapter 20

**Week 12 (Nov. 8, 10)**
The Influence of Monetary and Fiscal Policy on Aggregate Demand
Readings Mankiw, Chapter 21

**Week 13 (Nov. 15, 17)**
The Short-Run Trade-off between Inflation and Unemployment
Readings Mankiw, Chapter 22

Problem Set 2 will be given when the topics of Week 13 have been covered.

**Weeks 14 and 15 (Nov. 22, 29, Dec. 1)**
Open-Economy Macroeconomics
Readings Mankiw, Chapters 18 and 19

**Review Class:** Dec. 6

**Final Exam:** Monday, December 12, 3:00 - 5:30 pm

**Office Hours**
My office hours are on Tuesday and Thursday, from 11:15 to 12:15 pm or by appointment. Please, be well prepared and ask informed questions - you should have read the textbook and your lecture notes to look for an answer to your question/problem before coming to the office hours.
Email Policy
As is convention, I will try to reply to emails within 24 hours. This will only be possible if the emails are short and require short reply. Please note that I will answer short and informed questions regarding the course material and course organization but I will not explain and discuss course material by email. If you have a longer and more involved inquiry you are always welcome to see me during my office hours.

Economic and Financial News
Students are advised to become familiar with well-known sources for economic news and data. Keep up-to-date on current economic issues by reading articles and commentary in the economic press, such as The Economist (www.economist.com), Financial Times (www.ft.com), The Wall Street Journal (www.wsj.com), Business Week, Forbes, and in other news media. Some very useful web sites where you can find current national and international economic statistics are:

U.S. and International Economic Data Sources
Bureau of Economic Analysis: http://bea.gov
The U.S. Census Bureau, Economic Indicators: http://www.census.gov/economic-indicators/
The Federal Reserve Bank at St. Louis (FRED), Economic Research and Data: https://research.stlouisfed.org/
The International Monetary Fund (IMF): http://www.imf.org/external/index.htm

Honor Code
The honor code is in effect throughout the semester. By taking this course, you affirm that it is a violation of the code to cheat on exams, to plagiarize, to deviate from the teacher’s instructions about collaboration on work that is submitted for grades, to give false information to a faculty member, and to undertake any other form of academic misconduct. You agree that the teacher is entitled to move you to another seat during examinations, without explanation. You also affirm that if you witness others violating the code you have a duty to report them to the honor council.

The full text of the Emory College Honor Code can be found at: http://college.emory.edu/home/academic/policy/honor_code.html.